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CONTADORA GROUP ISSUES COMMUNIQUE ON TOUR

PA092359 Panama City ACAN in Spanish 2320 GMT 9 Aug 85

[Text] Panama City, 9 Aug (ACAN-EFE) -- The Contadora Group feels it overcame the last obstacles in its pacification effort for Central America during the tour of the region by the deputy foreign ministers of Mexico, Panama, Colombia, and Venezuela that ended yesterday. According to an official communique issued in this capital, the tour, which lasted 6 days, "helped create conditions to continue negotiations for a regional agreement, as well as the development of stable, lasting solutions to controversies and conflicts." Ricardo Valero of Mexico, Jose Maria Cabrera of Panama, German Nava of Venezuela, and Guillermo Fernandez de Soto of Colombia visited five Central American countries from 3 to 8 August.

According to the communique, their mission was to gather "opinions and observations from the Central American governments regarding pending issues of the Contadora Peace and Cooperation Document for Central America." They also visited the region to try to make arrangements for Costa Rica and Nicaragua to agree on direct talks to solve their differences on the border, where tensions have increased in recent months. This tour was decided upon following the stagnation of peace efforts and after the suspension of the July plenipotentiaries meeting in which the Sandinist delegation insisted on changing the agenda, which the rest of the Central American delegations refused to do.

The Contadora Group representatives told the Central American governments that the Contadora Group agreements "represent a general solution to the worsening of the regional situation and, therefore, they expressed the need to take specific measures in favor of detente." This tour, the official communique states, allowed the Contadora Group "to obtain precise information on the current situation in the region," and to obtain "in most cases, valuable observations and opinions favorable to the efforts for a diplomatic agreement." The deputy foreign ministers, who did not set a date for the pacification process, will report to their respective foreign ministries on the result of the regional tour, the communique states.

SELA REJECTS U.S. THREATS TO WITHHOLD LOANS

PA110435 Paris AFP in English 0410 GMT 11 Aug 85

[Text] Caracas, Aug 11 (AFP) -- The Latin American Economic System (SELA), a grouping of 26 Latin American and Caribbean countries including Cuba, Saturday rejected U.S. threats to stop further loans to countries repudiating foreign debts. No country has said it does not want to repay its part of Latin America's 370 billion dollar debt, pointed out SELA General Secretary Sebastian Alegrett, but several "cannot repay".

No Latin American country has envisaged repudiating its foreign debt or suspending payments indefinitely," said Mr. Alegrett at SELA headquarters here. He called for "dialogue and agreement" to solve the debt crisis, and noted it was not the first time the world faced this problem. He recalled debt payment suspensions by most Latin American countries during the 1930's worldwide depression and after World War II.

Cuba has called for repudiating the 370 million dollar debt, but all other countries are seeking the re-scheduling of payments. Mr. Alegrett insisted that lenders should assume co-responsibility for the debt problem, and that payment plans should be paced according to the debtor's export earnings. He said such linkage would not provoke "major disturbances" in the international [words indistinct] and that the U.S. Federal Reserve (Central Bank) was "fully capable" of helping U.S. banks in trouble because of [word indistinct] foreign loans.

ALFONSIN SPEAKS ON ECONOMIC ISSUES 10 AUGUST

PY112106 Buenos Aires BUENOS AIRES HERALD in English 11 August 85 p 13

[By R.R. Rowland]

[Excerpts] (NA) -- Despite rainy conditions, grandstands were filled to capacity by the time President Raul Alfonsin arrived at the Palermo fairgrounds yesterday to inaugurate the 32nd Agriculture, Livestock, and Industrial Show.

Thousands cheered as the President arrived at 1:30 pm with a San Martin grenadiers escort and musical honours and took his place in the official stand. Argentine Rural Society President Guillermo Alchouron accompanied the president, along with members of his committee.

Following the singing of the national anthem Alchouron spoke at length on current problems affecting the "camp" and how many of them could be solved through joint efforts by the government and those involved.

The audience listened with interest as President Alfonsin read from a prepared speech covering a wide range of subjects vital to the sector and frequently interrupted him with applause, especially during several moments of post-speech improvisation.

Alfonsin said Argentina was undergoing a great change, and believed a global solution had to be found to its many problems. This could only be achieved within the framework of a deep sense of solidarity and patriotism by all members of Argentine society.

The president stressed that any form of internal strife hampered the process of national recovery. He added that the country as a whole recognized the magnificent work carried our by "camp" people and he was sure they would continue to do so in the future.

Some of the highlights of President Raul Alfonsin's speech in Palermo yesterday were as follows:

-- The inroads made in the fight against inflation shows that "Argentina's newborn democracy is responding well, given the circumstances;"

-- the anti-inflationary adjustment policy "is not aimed solely at overcoming the present emergency," but at the reconstruction and modernization of Argentina;

-- after defeating inflation, debate will begin on the role of the state, private enterprise and the foreign debt;

-- "the transition towards stability is not an easy task," because negative practices reappear in the economic field and state sector;

-- "what is at stake is too important to be at the whim of political calculations;"

-- "we're surprised" that certain sectors "are coming up with proposals which their own spokesmen should know are neither viable nor alternatives;"

-- "the goal of the administration's economic policy is to reestablish the principle of ethics between economic agents and return to the individual his role in society;"

-- "real production requires a joint effort by everyone," and even the best crop "is worth nothing if it can't be taken off the farm and efficiently transported to other producers who can further elaborate it;"

-- to beef up production "we must confront not only the weakness of our economy but also growingly aggressive international markets;"

-- "Argentine farmland is being given a serious beating on the international front," and during next year "prices might continue to be bad, international markets less than ideal and the fight for technological control bitter;"

-- "an economic system capable of self-sustained growth" depends on integrating it "within the overall social system; that is, its compatibility with a political model built on programmes of social development and based on concensus;"

-- "the government is determined" to use international forums "to reverse the commercial aggression which is being waged against Argentina by post-industrialized nations;"

-- "through the Agriculture and Livestock Secretariat, we will pursue a national animal health plan, which will contain the basic guidelines for that fight," whose success will depend "on the efforts of growers;"

-- "accelerating the technological development of our agriculture is a top national priority" and the administration will play a vital role to that end, but "in an indebted and impoverished country, federal resources will not be enough to alone meet this growing demand;"

-- "we should encourage imaginative ideas and not fail to take advantage of what computer science can offer" in all areas;

-- "regional economies have for decades nourished the structural deformations which have led to their being caught in their worse crisis in history;"

-- the government "will reorient regional economies decisively towards exports, either traditional or new ones;"

-- "we will not be sidetracked from our economic programme, because that would mean returning to the risks of hyper-inflation;"

-- the measures adopted by the government "respond to behavioural changes and generate the social initiative which will rescue us once and for all from stagnation."

ENERGY SECRETARY ANNOUNCES NEW OIL CONTRACTS

PY091713 Buenos Aires BUENOS AIRES HERALD in English 7 Aug 85 p 1

[Text] (NA-DYN) -- Energy Secretary Conrado Storani yesterday unveiled a new specimen oil contract to attract private investment, bolster shrinking petroleum reserves and help increase exports. Announcing that Argentina was a "gas country, which is about to become an oil country" Storani said the 30-year contracts would be used in international tenders for 164 potential oilfields, 15 of which were off-shore, in the hope of uncovering "an immense treasure of petroleum."

The government aims to attract at least 23 billion dollars in private investment over 15 years, he told a news conference yesterday. At least 1.2 billion a year would be needed, he added, a sum which the country could not afford.

Oil companies were earlier reluctant to sign contracts with YPF [Government Oil Deposits], fearing it would be unable to pay for the work performed due to a shortage of dollar reserves stemming from the debt crisis.

But Storani said if reserves are not available, YPF would pay the companies with crude oil and refined products, giving preference to the latter. If the crude extracted exceeded Argentina's refining capacity, the contractor could export the crude freely but would have to pay all taxes in dollars.

Storani yesterday spelled the latter out as 12 percent for the oilfield's province (to be collected by the national treasury) and a special tax of eight to 18 percent -- depending on the likelihood of striking oil -- for YPF as well as all normal federal, provincial and municipal taxation. Normal payment would be in australs at international prices.

The agreements would be "risk contracts," Storani said, in which the companies would not acquire any mining concessions over the oilfields in putting up the capital. YPF also reserves the right to review the contract and the option to acquire a 15-20 share in the enterprise.

Argentina, self-sufficient in oil for many years through the state oil company YPF, now has only 14 years of proven reserves left at present consumption levels, i.e., 380 million cubic metres according to Storani.

Earlier this year in Houston Texas, President Raul Alfonsin announced that Argentina would base much of its energy future on service contracts between YPF and private enterprise. YPF is burdened with a debt of nearly six billion dollars. Despite a vigorous exploration programme over the past two years, it has failed to make important oil finds.

NEW FALKLANDS SOVEREIGNTY COMMISSION CREATED

PY101731 Buenos Aires TELAM in Spanish 1451 GMT 10 Aug 85

[Text] Buenos Aires, 10 Aug (TELAM) -- A new commission to deal with the sovereignty of the Malvinas Islands before various international forums has been created in the Argentine Foreign Ministry. It will be supervised by Ambassador Jorge Federico Sabato, secretary for foreign relations and worship.

The need to seek the advice of officials who have experience and important knowledge about the Malvinas Islands has prompted the creation of this commission, which is meant to effectively contribute to a more firm and consistent attitude regarding the islands for the national interest.

The Argentine Foreign Ministry reported that the new commission will deal with all aspects and actions related to defending Argentine rights to the Malvinas, South Georgias, and South Sandwich Islands, which is a priority objective of Argentine foreign policy.

Ambassador Jorge Federico Sabato, secretary of foreign relations and worship, will head the commission to be composed of Ambassador Marcelo Emilio Delpech, the Foreign Ministry's southern and foreign affairs under secretary; the permanent Argentine representative to the United Nations, Ambassador Carlos Alberto Muniz; as well as Ambassadors Carlos Alberto Ortiz de Rozas, Juan Carlos Beltramino, Enrique Jose Candioti, Lucio Alberto Saturnino Garcia del Solar, and Ruth Guevara Achaval de Ruda. The commission will thoroughly examine all matters related to the Malvinas Islands issue and will propose actions, provide advice, and undertake any negotiations as ordered.

MINISTERS RATIFY AGREEMENTS WITH URUGUAY

PY110214 Buenos Aires Domestic Service in Spanish 2300 GMT 9 Aug 85

[Excerpt] Argentine and Uruguayan officials met today in Buenos Aires to ratify the River Plate integration agreements signed by Presidents Raul Alfonsin and Julio Maria Sanguinetti at the Uruguayan president's inauguration.

Uruguayan Foreign Minister Enrique Iglesias, Economy Minister Ricardo Servino, and Transportation and Public Works Minister Jorge Sanguinetti met today with Argentine Foreign Minister Dante Caputo and Public Works and Services Minister Roberto Tomasini.

An agreement to form a binational commission to study the possibility of constructing a bridge between Buenos Aires and the Uruguayan city of Colonia was also signed.

A mutual customs-duties exemption was also considered to promote the opening of markets and to increase bilateral trade.

VICE PRESIDENT ADMITTED TO HOSPITAL, RELEASED

PY081757 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0250 GMT 8 Aug 85

[Text] Buenos Aires, 7 Aug (NA) -- Vice President Victor Martinez was urgently admitted to a private hospital in this capital tonight, suffering from a renal cholic [colico renal] that he was seized with while in Congress.

Although the ailment is not serious, attending doctors prescribed complete rest. Therefore the minister will have to interrupt his activities for a few days.

The Senate president was admitted "urgently" to a private hospital located in the 2900 block of Las Heras Avenue. It was reported that Martinez left the hospital unaided a few hours after being examined by the doctors.

GOVERNMENT REINSTATES ECONOMY, PLANNING COUNCIL

PY100414 La Paz Cadena Panamericana in Spanish 0000 GMT 10 Aug 85

[Excerpts] The government has decided to reinstate the National Council of Economy and Planning [Consejo Nacional de Economia y Planification -- Coneplan] which will be the highest decisionmaking body in the country. The members of Coneplan were presented by Planning and Coordination Minister Guillermo Bedregal today. Bedregal said: [Begin recording] Coneplan is directly subordinate to the presidency of the Republic through to the Planning and Coordination Ministry. This is an organization which under emergency situations [words indistinct] has executive powers which were established by law when it was created and which unfortunately [words indistinct] have been forgotten in the last few years. [end recording]

Under Secretary of Planning Alejandro Pacheco said that through another legal document the president was made a member of the council.

[Begin Pacheco recording] Coneplan is made up of the Presidency of the Republic and the Planning and Coordination Ministry. Coneplan will be headed by the president, and in his absence by the planning and coordination minister. [end recording]

FINANCE MINISTER DISCUSSES POSITION ON DEBT, IMF

PY101904 La Paz Cadena Panamericana in Spanish 1700 GMT 10 Aug 85

[Text] Next week, the administration of President Paz Estenssoro will address the country's prolonged, deep economic crisis. Finance Minister Roberto Guisbert has stated that the government's economic policy will not be subordinated to any international organization. Guisbert stated that the foreign debt will not be negotiated with the IMF. He said: We will formulate a new economic policy in the country. He added that the new economic policy will pave the way for the consideration of issues such as the IMF and the foreign debt.

Quisbert added: This does not mean, however, that we will make possible that which is impossible. The truth is that we are acting realistically to pull the country out of an economic crisis. Given the country's economic situation, we cannot pay the debt. This does not mean, however, that we wil not renegotiate our debt, Guisbert said.

Commenting on the government's position regarding the IMF, Guisbert said that the government has adopted a new policy and that it will issue a package of coherent corrective measures, not isolated measures. This package, he said, will not be subordinated to any international organization. The new policy will reportedly be based on a single, realistic exchange rate of the Bolivian peso with regard to the U.S. dollar.

PRESIDENT RETAINS MILITARY COMMANDERS IN POSTS

PY092008 La Paz Cadena Panamericana in Spanish 1700 GMT 9 Aug 85

[Excerpt] The new defense minister, Fernando Valle, has announced that President Victor Paz Estenssoro has decided to retain high-level military commanders in their posts as a result of the work they have done for the Bolivian people. He said the corresponding decree will be signed during the first cabinet meeting, to which the military chiefs will be invited to receive a legal copy of the document.

Valle praised the performance of the military high command, saying it undertook a task for the Bolivian people and the democratic system.

[Begin Valle recording] In this sense, and taking into consideration your performance and your records, the president has asked me to tell you that the military high command has been completely ratified. Here is the list of names:

Commander in Chief of the Bolivian Armed Forces General Simon Sejas Tordoya, Joint Chief of Staff General Walter Antezana Palacios, Army Commander General Raul Lopez Leyton, Air Force Commander General Oscar Villa Urioste, Navy Commander Rear Admiral Jose Antonio Ona Costa.

In this manner, the president wishes to fulfill a moral commitment to you in appreciation for your conduct in benefit of the country and democracy.

The corresponding decree will be signed during the first Cabinet meeting when the president will receive you in Government House to personally give you a copy of the decree. [end recording]

COB COMMUNIQUE WARNS AGAINST DISMISSALS

PY091318 La Paz Cadena Panamericana in Spanish 1130 GMT 9 Aug 85

[Text] The Bolivian Labor Confederation [COB] will demand respect for workers in public administration, according to a communique it has published in the last few hours. Here is part of it:

Taking into consideration the concern among public employees over possible dismissals or "white massacres" as a consequence of the change in administration, the COB declares the following:

1. The COB will intransigently demand obedience to the social laws in force and to all the advantages won by the working class.

2. The COB will also demand respect for public servants and for the guarantees against dismissal of officials from public and decentralized institutions.

3. The COB instructs all labor organizations to remain alert for any possible move that would endanger our legitimate right to work. The COB also instructs labor organizations to report any irregular dismissals, in a timely fashion.

Signed: Walter Delgadillo Torres, (Casto) Rivero Velazco, Gonzalo (Viscarra) Pando, and Alberto Echazu Alvarado.

NEW LABOR ORGANIZATION CREATED; TO RIVAL COB

PY091927 La Paz Cadena Panamericana in Spanish 1700 GMT 9 Aug 85

[Text] The General Confederation of Bolivian Workers [Confederacion General de Trabajadores de Bolivia -- CGTB] is reorganizing its departmental cadres. This organization has been created as a rival to the Bolivian Labor Confederation [COB] headed by the veteran union leader Juan Lechin Oquendo. The CGTB is led by Francisco Chambi Mangula.

[Begin relay from Sucre by reporter Hugo Ebia] A new labor organization to rival the COB is being organized in this district. We have seen identification cards, that is, credentials of some union members who are engaged in organizing this labor organization.

This new organization is called the CGTB. On these credentials we read the following: Revolutionary nationalism demands men of iron will and a consistent struggle for the cause of the revolutionary fight for liberation from the anarcho-syndicalist dictatorship. Those who belong to the CGTB must choose between being for or against Bolivia.

This document is signed by Francisco Chambi Mangula. [end relay]

EC OFFICIAL PROMISES TO CONTINUE COOPERATION

PY110203 Paris AFP in Spanish 1511 GMT 10 Aug 85

[Text] La Paz, 10 Aug (AFP) -- EC Deputy Chief Erwan Fowere said today in La Paz that the EC will continue cooperating with Bolivia under the new presidency of Victor Paz Estenssoro, who was installed on 6 August.

Fowere made this statement immediately after a long visit with Bolivian Foreign Minister Gaston Araoz Levy. Fowere, who is British, said the EC, comprising a dozen Western European countries, is very pleased with Bolivia's continuation of its democratic process.

PLO'S ARAFAT SENDS MESSAGE TO PAZ ESTENSSORO

PY101312 La Paz Cadena Panamericana in Spanish 0000 GMT 10 Aug 85

[Text] Yasir 'Arafat, chairman of the PLO Executive Committee and commander of the Palestine Revolutionary Armed Forces, has sent a note to President Victor Paz Estenssoro. The important passages say:

I would like to take this opportunity to convey to Your Excellency, your people and government, appreciation for any attitude of support and solidarity you may adopt toward our just Palestinian cause. The struggle of your people for the liberation of their land and the recovery of their inalienable national rights, including their right to return, to self-determination, and the establishment of an independent Palestinian state.

I would like to reaffirm to Your Excellency that our people who have great feelings of friendship and solidarity with your people will continue in their just struggle to install a lasting peace in Palestine, a land of peace, by establishing our independent Palestinian state with Jerusalem as its sacred capital.

These are the important passages of the letter sent by Yasir 'Arafat, chairman of the PLO Executive Committee, to President Victor Paz Estenssoro.

SARNEY DECREES BAN ON TRADE WITH SOUTH AFRICA

PY092207 Madrid EFE in Spanish 1944 GMT 9 Aug 85

[Text] Brasilia, 9 Aug (EFE) -- Brazil reacted today to the killing of blacks in South Africa and to apartheid by banning commercial relations with the Pretoria regime with the exceptions approved by the United Nations. An exceptional decree was approved today by President Jose Sarney and released by Foreign Minister Olavo Setubal.

Until now Brazil merely advised private companies that maintain commercial ties with South Africa to discontinue trade relations but the final decision was up to the companies themselves. The decree stated that the apartheid system openly contradicts the principles of democracy and racial coexistence that Brazil applies.

The ban encompasses cultural, artistic, and sports exchanges, oil and fuel exports, sales of weapons, ammunition, military equipment, vehicles and parts. It also applies to trade marks, licenses to manufacture arms, and any Brazilian participation in the transport and trade of arms, which would be confiscated.

CENTRAL BANK HEAD RAPS CASTRO ADVICE ON DEBT

PY091454 Madrid EFE in Spanish 0122 GMT 7 Aug 85

[Excerpts] Brasilia, 6 Aug (EFE) -- Carlos Eduardo de Freitas, director of the Central Bank external area, has criticized Cuban President Fidel Castro for asking Latin American countries to stop payments on their foreign debt. During the recent meeting in Havana on the regional foreign debt, which surpasses $360 billion, the Cuban leader called on the area countries to suspend payments to their creditors.

Regarding Castro's advice, Freitas said that the Cuban Prime Minister recommends one thing and does something else. The Brazilian Central Bank official then recalled that Cuba rigorously pays its foreign creditors to which it owes an estimated $3 billion, and never asks for new money at the time of renegotiations.

According to Freitas, Cuba has cultivated its prestige as a client in the international financial market.

COMMERCE MINISTRY SUSPENDS CHILEAN COPPER IMPORTS

PY091401 Paris AFP in Spanish 0330 GMT 7 Aug 85

[Text] Brasilia, 6 Aug (AFP) -- A high official in the Industry and Commerce Ministry today announced in Brasilia that the suspension of Chilean copper imports is only temporary. According to reports from Santiago, the Chilean Foreign Ministry has expressed concern over Brazil's decision to suspend the purchase of some 9,000 tons of copper for the remainder of the year.

During the first half of this year, Chile sold nearly 34,000 tons of copper worth approximately $48 million to Brazilian industry. The purchase of a similar quantity during the second half of the year had been scheduled.

The contraction of the Brazilian copper market has resulted from the budget cuts in the state-run enterprises, thus causing the suspension of copper purchases from Chile, specialized sources explained. According to the same sources, the purchase of 11,000 tons of cooper had been authorized for this year's third quarter, but only 2,000 tons have been imported so far.

The representative of the Copper Corporation of Chile (Codelco) in Brazil has threatened Brazilian copper buyers with heavy fines for cancelling the contract, it was reported today in Sao Paulo.

A top executive of ELUMA [expansion unknown], the largest Brazilian consumer of Chilean copper, has said in Sao Paulo that the problem will have to be solved between the two governments.

It has been announced in Santiago that the Chilean ambassador in Brasilia is going to explain the problem to the Foreign Ministry. A spokesman for the Foreign Ministry tonight said that as far as he knew, Chilean Ambassador Sergio Illanes has not requested to see Minister Setubal.

FINANCE MINISTER URGES END TO STATE-OWNED FIRMS

PY112130 Rio de Janeiro LATIN AMERICAN DAILY POST in English 8 Aug 85 p 1

[Text] Brasilia -- Finance Minister Francisco Dornelles Wednesday expressed his approval of steps on the part of the government to turn state-owned companies over to the private sector.

"I am in favor in turning all of the state companies over to private business," Dornelles said. "I think the state must go back to being the state and take care of education, health and transportation and turn all business activities over to the private sector which can conduct them more competently than the state."

Dornelles made his comments following a meeting with Industry and Commerce Minister Roberto Gusmao who in recent days has stated that he favors eliminating the Brazilian Coffee Institute, the Institute of Sugar and Alcohol and Embratur, the Brazilian tourism authority.

Gusmao based his recommendations on audits conducted in all three state organs which showed rampant inefficiency as well as alleged cases of official corruption. Dornelles said Wednesday that he agrees with Gusmao's conclusion that the three state organs should be eliminated.

ARGENTINE MINISTER OPPOSES SOUTH ATLANTIC PACT

PY091333 Rio de Janeiro O GLOBO in Portuguese 6 Aug 85 p 2

[Text] Brasilia -- "We should consider the possibilities of signing military treaties only if there are foreign threats. There is now no foreign threat in South America except for the Malvinas fortress, but we hope to resolve this case peacefully with the fraternal support of the other Latin American countries."

Argentine Defense Minister Roque Guillermo Carranza was thus rejecting yesterday, at Planalto Palace, the idea of forming pacts to defend the South Atlantic. This idea has been gaining growing support in U.S. military and diplomatic circles.

According to State Department and Pentagon sources, "cooperation between Argentina and Brazil would be a significant step in stopping Soviet expansion through the Cape of Good Hope route." Although rejecting this type of treaty, Carranza did not conceal his desire to strengthen relations between the Argentine and Brazilian Armed Forces.

NAVY MINISTER SUPPORTS LAW OF THE SEA CONVENTION

PY091756 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Aug 85 p 2

[Text] Brasilia -- Speaking in the Chamber of Deputies, Navy Minister Admiral Henrique Saboia yesterday supported the ratification of the UN Law of the Sea Convention -- signed by Brazil in 1983 -- which provides for a reduction of the territorial sea to 12 miles, for a 188-mile economic zone, and a 350-mile continental shelf.

He noted, however, that the Navy will need 16 small ships at a total cost of $240 million to patrol a sea area of 3 million square kilometers and to take preventive action against nonmilitary threats against the country. To obtain these funds, he proposed that a share of the royalties stemming from oil prospecting in the continental shelf be allotted to the Navy Ministry.

In a 45-minute speech before members of the Chambers Foreign Relations Committee, Saboia said that it would be advantageous for Brazil to ratify the UN convention to take advantage of the international support for the 12-mile territorial sea (which is not the case for the 200-mile sovereignty position). Thus Brazil will be able to exercise the right to oversee its 12-mile adjacent zone, and to adopt the necessary measures to avoid and to repress violations of customs, immigration, and health laws and regulations. In addition, Saboia said, Brazil will enjoy the sovereign rights to prospect for and to exploit biological and mineral natural resources from the seabed and from its subsoil; to protect and preserve sea life and Brazilian sovereignty over the 350-mile continental shelf regarding exploitation of mineral and other resources.

In this case, Saboia said, the Navy will have to expand its actions to an area of 3 million square kilometers, that is, to an area equivalent to 50 percent of the national territory. Although refraining from commenting on naval needs in time of war, Saboia referred to the nonmilitary threats: attempts to exploit biological or mineral natural resources from the sea waters, the seabed, or the subsoil of the continental platform; violations of the law, smuggling of arms and other items, drug trade, terrorism, sabotage, and so forth.

In dealing with these threats, Saboia ruled out the possibility of using submarines, aircraft carriers, or frigates, and expressed a preference for lighter, more appropriate ships. He said that it will suffice to purchase two ships per year to limit the annual expenditure to $30 million.

The members of the Foreign Relations Committee agree with Minister Saboia, especially regarding the ratification of the UN convention. Two deputies questioned, however, the spirit of the convention: Joao Hermann (Brazilian Democratic Mobilization Party, PMDB, Sao Paulo) opposed the convention by noting that, since the country is technologically dependent, Brazil will not be able to honor the international commitments stemming from the convention, especially regarding prospecting in the sea depths. Miguel Arraes (PMDB, Pernambuco) called attention to the interest the developed nations have in mineral resources and emphasized the need to revise international laws.

ADMIRAL SAYS FOUR NEW SUBMARINES TO JOIN NAVY

PY100143 Brasilia Domestic Service in Portuguese 2200 GMT 9 Aug 85

[Text] Presiding over the ceremony marking the graduation of 168 new Merchant Marine officers, Navy Minister Admiral Henrique Saboia said today that four new submarines will join the Brazilian Navy. One of them is coming from the FRG, and the remaining three will be built in the Navy shipyards in Rio de Janeiro. Adm Saboia stated that despite financial difficulties, the Navy is prepared to guarantee the security of the Brazilian territorial sea.

SATELLITE, DATA PROCESSING DEVELOPMENTS REPORTED

PY091301 Sao Paulo FOLHA DE SAO PAULO in Portuguese 3 Aug 85 p 22

[Excerpt] The Telebras [Brazilian Telecommunications, Inc.] program for satellite communications is currently completing an important technological stage through the development of land stations and reception transmission parabolic antennas based on the utilization of equipment that is already available in the international market. Coordinated by its Research and Development Center (CPQD), and after having completed the development of basic land-based equipment for the satisfactory operation of the National Telecommunications System, Telebras has started to work on original advanced technology to be basically applied to data communications.

Data communications consist of the linking of computer terminals to data banks, and they are used in financial institutions. This type of communications is still being handled with conventional technology. According to the researchers involved, the objective now is to develop a flexible advanced technology to serve the consumer market at reasonable prices. This technology is known by the name AMDT (Multiple Access by Divided Time), and the corresponding equipment is expected to be available by the end of 1988.

POLICE ARREST PRIEST FOR INCITING, ARMING INDIANS

PY072107 Rio de Janeiro O GLOBO in Portuguese 2 Aug 85 p 6

[Excerpt] Cuiaba -- Jesuit priest Balduino Loebens from the Anchieta Mission was arrested by the Mato Grosso Military Police on 1 August on charges of supplying arms to the Rikbatsa Indians and inciting them. For 4 months, the Rikbatsas have been occupying approximately 100,000 hectares between the Juruena and Arinos Rivers, in Juruena Municipality, 900 kilometers from Cuiaba. The arrest of the Jesuit priest, who has been providing health and education services to the Rikbatsas since 1972, was ordered by Mato Grosso Public Security Secretary Oscar Travassos, who acted on reports made by anthropologist Celio Horst of the National Indian Foundation of Brasilia, who visited the area occupied by the Indians on Saturday 27 July.

'DAY FOR LIFE' MARKED BY VIOLENCE, BLACKOUT

Interior Minister's Statement

PY090356 Madrid EFE in Spanish 2231 GMT 8 Aug 85

[Excerpts] Santiago, 8 Aug (EFE) -- A few hours before the beginning of the Day for Life called by sectors opposed to the military regime of General Augusto Pinochet. Interior Minister Ricardo Garcia said the government will safeguard the tranquillity of the people.

The government will adopt all necessary measures to prevent the citizen's peace from being disturbed because this is not the time for disorder, agitation, and demonstrations that could disrupt national life. Talking with reporters, the interior minister said state institutions are strong and solidly united and that none of the recent events can undermine the unity and the strength of the country.

Garcia added: We cannot talk about the country's weakening, and I dare say that difficult times prove the greatness of the country. These past few days, he added, which have been difficult and have affected the most important institutions of the nation, have demonstrated the very strength of those institutions, and have shown that the government has solid foundations and is very clear in its responsibility and objectives.

Regarding recent street demonstrations in Santiago, the interior minister stated there is an underground network to undermine the institutional system. He said: We have witnessed some street disorders in downtown Santiago and the outskirts, and their purpose seems to be to create difficulties solely to weaken the country.

President Pinochet today met with more than 1,000 Carabineros from the Santiago unit in one of the halls of the Diego Porlates Building in Santiago.

Although the Presidential Press Secretariat has considered this meeting as the first of institutionalized annual meetings with national defense personnel, reliable sources have reported that very touchy subjects were discussed at this meeting, subjects that have been affecting the police force and that refer to recent changes in the high command.

PDC Leaders Arrested

PY092346 Madrid EFE in Spanish 2123 GMT 9 Aug 85

[Text] Santiago, 9 Aug (EFE) -- Three Christian Democratic Party [PDC] leaders and the widows of two of the three Communist leaders murdered in March were arrested in Santiago today during demonstrations marking the Day for Life.

In front of La Moneda Palace, headquarters of the executive branch, the Carabineros broke up a demonstration against General Augusto Pinochet's military regime and arrested Owana Madera de Guerrero and Estela Ortiz de Parada, widows of two of the three Communists murdered in March.

During another incident in downtown Santiago, where groups of demonstrators listened to a manifesto calling for the Chilean people's return to democracy, PDC Youth President Andres Palma and two other PDC leaders, Juan Claudio Reyes and Alberto Spencer, were arrested. On this occasion, security forces used antiriot equipment against the demonstrators, among whom were Gabriel Valdes, president of the Democratic Alliance; Andres Zaldivar, president of the Christian Democratic International; Ricardo Lagos, leader of the Socialist Party; and former lawmaker Maria Maluenda.

Throughout the morning various hit-and-run demonstrations were staged in downtown Santiago by opponents who managed to outwit the police. In eastern Santiago military forces have been deployed in the streets and there is less traffic than usual for a working day. In that area, especially near the interseccion of Grecia and Macul Avenues, there are many people on the streets and a few witnesses said they had heard what they thought were warning shots.

Meanwhile, University of Chile authorities confirmed that the Schools of Law and Social Sciences were closed down today after persons having nothing to do with the university announced that demonstrations would be staged at those schools.

Brigadier General Richard Nebb, commander of the Santiago Army Garrison, stated that under no circumstances could the situation be considered abnormal because of a slightly increased number of military personnel carrying out surveillance duties on the streets. Carabineros sources have reported that his corps has been confined to barracks since yesterday.

As sunset approaches, traffic has thinned and there is a marked shortage of passenger bus services. The Day for Life will end shortly with an opposition rally near the law school. General Pinochet's opponents have also called for a public wake tonight, meaning that candles should be lit in front of each house in memory of victims of violence.

Police Break Up Rally

PY092247 Paris AFP in Spanish 2146 GMT 9 Aug 85

[Text] Santiago, 9 Aug (AFP) -- At least 30 demonstrators were arrested this afternoon in Santiago when police repressed dozens of opposition members trying to stage the main rally of today's Day for Life. The rally, which was to take place in front of the University of Chile Law School, had been called by labor unions belonging to the National Workers Command and the Chilean Federation of Students.

However, police forces, supported by a helicopter overflying the area, hurled tear-gas grenades and shot jets of water at the columns that were moving toward the rally site. Police arrested approximately 30 demonstrators, according to AFP correspondents. The arrested individuals were part of a column of professionals who were carrying a sign that read: Against torture, no matter what.

Buses Set Afire in Santiago

PY100034 Paris AFP in Spanish 2347 GMT 9 Aug 85

[Text] Santiago, 9 Aug (AFP) -- Two public buses caught fire tonight in front of the Government House in downtown Santiago during street demonstrations against President Augusto Pinochet's military regime. Firemen told AFP that incendiary bombs had been hurled at the buses.

Police officers initially said that the fires caused no casualties among the passengers, who panicked. The fires were rapidly put out by Carabineros' water cannons, but the incident caused a traffic jam in the area.

'Isolated Incidents' Reported

PY100350 Santiago Domestic Service in Spanish 2300 GMT 9 Aug 85

[Text] An undetermined number of individuals caused isolated incidents when a group of agitators tried to block traffic at the corner of Alameda and Plaza Italia. The Carabineros controlled the situation by shooting water cannons and tear gas grenades. The demonstrators gathered in small groups at different points in Plaza Italia, Parque Forestal, Alameda, and other streets. Police dispersed these groups and normal traffic resumed. At the intersection of Alameda and Plaza Italia, the streetlight switchbox was vandalized but the Carabineros directed traffic, which flowed smoothly. Bags of garbage were emptied at Plaza Italia and Bustamante Avenue, but the Carabineros managed to sweep the street with their water cannons. During the incidents, a police helicopter flew over the sector and police trucks patrolled the area. Despite these incidents, traffic proceeded normally in the area.

The Carabineros are guarding subway stations and the bridges over Mapocho River, such as the Pio Nono, [name indistinct]. Minor incidents were also reported in outlying sectors of the capital, but the actions of the agitators did not greatly disrupt normal activities.

Blackout Causes Death, Injuries

PY100400 Paris AFP in Spanish 0349 GMT 10 Aug 85

[Text] Santiago, 9 Aug (AFP) -- Police sources reported tonight that one person died in a traffic accident and four policemen were injured in bombings during the blackout that affected Santiago and an extensive area of Chile.

Eustaquio Faundez, a pedestrian, was killed by a truck on Vicuna Mackenna Avenue amid the darkness that enveloped the capital city. The injured policemen belongs to the Carabineros militarized police. They were injured by explosions of two bombs in the port of Valparaiso, 140 west of Santiago.

The blackout was the result of bombings of powerlines, an action for which the clandestine Manuel Rodriguez Patriotic Front, which the Chilean military government believes to be the armed branch of the Communist Party, claimed credit.

2 Dead, 170 Arrested

PY101514 Santiago Domestic Service in Spanish 1100 GMT 10 Aug 85

[Text] Two people were shot to death and at least 20 were injured during isolated incidents that took place in Santiago last night. According to Carabineros reports, the two people died during public disturbances.

One of the dead was identified as Aida (Vilques Urea), 39. The woman lived at 6442 Santa Rosa and was wounded in an incident at Bus Stop 23 on the same street. The other victim was Manuel Moreno Quesada, who lived at 6015 Pasaje 19, in the [name indistinct] sector. The two persons died between 2230 and 2300.

At the same time, two Carabineros were wounded near Bus Stop 25 on Santa Rosa Street when they were fired at by unknown individuals while patrolling a sidestreet. A police bus was also fired at in La Blanca neighborhood, but no one was wounded.

It is estimated that over 20 people were injured during last night's incidents, in addition to the two deaths already mentioned. Those injured were taken to various hospitals in Santiago. It has been officially reported that 170 people were arrested for disorders and taken to the Carabineros First Precinct.

It has been reported from Valparaiso that isolated incidents also took place there yesterday. During the incidents agitators set fire to two buses of the Verdemar Company and built barricades in some sectors of Vina del Mar and Valparaiso.

FPMR Claims Responsibility

PY100318 Paris AFP in Spanish 0249 GMT 10 Aug 85

[Text] Santiago, 9 Aug (AFP) -- According to a call to the AFP office, the opposition underground Manuel Rodriguez Patriotic Front [FPMR] tonight claimed responsibility for the blackout that affected most of the country's 12 million inhabitants. A man's voice said tonight's blackout represents an action of support by the FPMR for the Day for Life, organized by various national organizations. The FPMR spokesman stated that to cause the almost-total blackout, several commando groups destroyed several high-tension power pylons.

The blackout affected an area along the approximately 1,400 km between Santiago and Antofagasta, in northern Chile. The blackout occurred at the end of the Day for Life, organized by the opposition National Workers Command, headed by union leader Rodolfo Seguel; the Federation of Students of the University of Chile and the Catholic University; and other social organizations.

Government Blames Leftist Groups

PY110305 Paris AFP in Spanish 0132 GMT 11 Aug 85

[Text] Santiago, 10 Aug (AFP) -- The Chilean military regime today blamed the proscribed Communist Party, the Movement of the Revolutionary Left (MIR), and the FPMR for attacks that affected the population and police and security personnel throughout the country. The minister secretary general of the government, Francisco Javier Cuadra, said that the strategy of these sectors is to wear the patience of the people with outages and explosions.

Cuadra said these groups believe their actions will generate a growing sense of concern among the population. Cuadra thus referred to the recent remarks in Havana to the newspaper EL MERCURIO of Santiago by exiled MIR leader Andres Pascal Allende during his participation in the Latin American foreign debt conference organized by Cuba.

Pascal revealed that the MIR is responsible for many of the armed actions against the Pinochet regime. The 41-year-old leader, who is the nephew of the late President Salvador Allende (1970-1973), claimed responsibility for the sabotage of railroad tracks and electric pylons and attacks on the police and Armed Forces in Chile, which have caused several deaths. Pascal said at least half of the recent outages in the country were caused by the MIR, and the rest by the FPMR which the government considers to be the armed branch of the Chilean Communist Party.

Cuadra said that the government has already informed the public about this fact, and that Pascal's comments confirm the information the government released to the public. The latest outage took place on the night of 9 August at the conclusion of the Day for Life demonstration. The outage extended a 1,400-km area where more than half of the 12 million Chileans live. Responsibility for this action was claimed by the FPMR in an anonymous call to international press agencies.

Government To Punish Instigators

PY110239 Paris AFP in Spanish 0004 GMT 11 Aug 85

[Text] Santiago, 10 Aug (AFP) -- The Chilean military regime warned today that it will move to vigorously punish those responsible for acts of violence during the 9 August Day for Life demonstration, which resulted in three deaths, dozens of injuries, and the arrest of 224 people, who were put at the disposal of the Interior Ministry.

The minister secretary general of the government, Francisco Javier Cuadra, said the government will resort to the law to guarantee order and tranquillity and it will take the necessary measures against those responsible for the violence. Cuadra said the negative results of the demonstration and the 1-hour power outage in a large part of the country are due to a demonstration organized by opposition sectors who use the name Day for Life to justify violence. He added that these acts are part of a strategy of social mobilization, civil disobedience, and obstruction of government activities, which is organized by the opposition, which insists on using the same policies it used in 1983 and 1984. He said those who call for this type of demonstration are making operations easy for extremists, who are only interested in causing death, injury, and damage to public and private property.

CARABINEROS OFFICERS CLUB BOMBED; NO INJURIES

PY101541 Paris AFP in Spanish 1441 GMT 10 Aug 85

[Text] Iquique, 10 Aug (AFP) -- A strong explosion shook the facade of the Carabineros noncommissioned officers club in Iquique, 1,800 km north of Santiago, police prefect Colonel Guillermo Rosales reported today.

Police and security personnel are conducting an intensive search to identify those who planted a homemade bomb in the club, causing serious damage to the building but no injuries. It has been reported that two suspects have already been arrested. The attack took place a week after a judge indicted 14 Carabineros on charges of kidnapping and murdering three leftist opponents, whose bodies were found on 30 March with their throats slit in the vicinity of Santiago's international airport.

LEADERS VIEW STATE OF SIEGE, TALKS WITH M-19

Armed Forces Chief Rejects Talks

PA091336 Madrid EFE in Spanish 0606 GMT 8 Aug 85

[Text] Bogota, 7 Aug (EFE) -- Today General Manuel Jaime Guerrero Paz, Colombian Armed Forces Joint General Staff chief, rejected the direct dialogue proposed by the 19 April Movement [M-19] and the questioning of the moral authority of Defense Minister General Miguel Vega Uribe.

In statements to the news media, Gen Guerrero Paz responded to statements made by Antonio Navarro Wolff, official M-19 spokesman, at the meeting of Latin American debtors in Havana. He rejected the M-19 criticisms, which demanded Vega Uribe's resignation, after the M-19 accused the government of torturing Dr Olga Lopez de Roldan in 1979 when Vega Uribe was commander of the Military Institutes Brigade (BIM) during the administration of Julio Cesar Turbay Ayala.

Gen Guerrero Lopez said that the military commands supported by President Belisario Betancur do not sit and talk about a peace policy because we are continuing the guidelines of General Gustavo Matamoros who, as defense minister, supported the process. He said that the Armed Forces support Vega Uribe who does have moral authority and denied that Vega Uribe lacks this authority as Navarro Wolff charged, besides the State Council criticism was directed against the nation.

Navarro Wolff, who is exiled in Mexico following an armed clash on 23 May in the south-western part of the country, had asked Gen Guerrero Paz' mediation to continue the dialogue on the truce signed in August 1984 by the M-19.

On Monday several members of the Peace Commission agreed with Navarro Wolff and Gabriel Garcia Marquez, a winnder of the Nobel Prize in literature, in requesting the resignation of Defense Minister Vega Uribe until he is cleared of the charges of torturing Dr Olga Lopez de Roldan.

Minister on State of Siege

PA091604 Paris AFP in Spanish 1241 GMT 9 Aug 85

[Text] Bogota, 9 Aug (AFP) -- The Colombian Government decided today to maintain the state of siege imposed on the country on 1 May 1984 claiming that "the conditions" of public order are not proper for lifting it.

Commenting on a request made by the leftist 10 April Movement [M-19] guerrilla group for lifting the state of siege, Government (Interior) Minister Jaime Castro said that "for the time being, conditions are not favorable." The state of siege was ordered in Colombia as a result of the murder of Justice Minister Rodrigo Lara Bonilla in northern Bogota on 30 April last year by two hired assassins of the narcotics traffickers. Castro said tnat lifting the state of siege does not depend on the government, but on the actual situation of public order in the country and said "the state of siege will continue for the time being."

The leftist guerrillas of both the M-19 as well as the communist Revolutionary Armed Forces of Colombia, FARC, have made claims before the Belisario Betancur administration asking that the country return to a state of juridical legality. They pointed out that lifting the state of siege is necessary for successful conversations that will lead to pacification of the country.

Castro Sets Conditions for Talks

PA092151 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 9 Aug 85

[Text] Bogota -- Government Minister Jaime Castro has reiterated that the M-19 [19 April Movement] must abandon all subvervise activities if it wants new peace negotiations. In reaction to opinions expressed by high-ranking Colombian Armed Forces officers who have warned that no new talks should be held with this guerrilla organization as long as they persist in acting outside the law, Castro said he reiterates the view he expressed at the beginning of this week regarding the press version of the M-19's alleged request to participate in the peace policy. The M-19 voluntarily abandoned this peace policy and the government will now set the requirement for new talks, said Castro.

BRIGADE COMMANDER DISCUSSES BREAKDOWN OF M-19

PA091648 Bogota EL SIGLO in Spanish 4 Aug 85 pp 1-2

[By Eduardo Carrillo]

[Text] For the first time since the 19 April Movement (M-19) withdrew from the truce agreements, cease-fire, and the national dialogue with President Belisario Betancur's government, the Military High Command has referred to what it called "the breakdown" of one of the most active guerrilla groups in Colombia in recent years.

"The M-19 is falling apart. Two if its main fronts are crumbling as the members flee in distress toward Choco Department, on the Pacific Coast. Its men either surrender to the Army, fight without spirit, or go to the humble peasants' houses to hide or get water or food."

These statements were made by Brigadier General Flavio Jimenez Paredes, commander of the National Army 8th Brigade. Brig Gen Jimenez decided to present his assessment of the rebel group's status in Genova, a coffee-growing town where the M-19 in one of its bloody and audacious strikes killed eight policemen and an Army NCO and lost six of its own men.

He said that in a vast part of Quindio, to the south, where counterguerrilla military operations are being carried out, there is a general stampede of M-19 militants who voluntarily surrender to the National Army. He also said that none of the 26 rebels killed in 10 days of fighting in El Valle and Quindio was over 20 years old.

Gen Flavio Jimenez said: "In the broad jurisdiction of the 8th Brigade, especially in Genova and Pijao, there have been new clashes with M-19 columns commanded by Libardo Parra, alis "Oscar," who seeks to sow unrest in this part of the country.

"Thank God, the operations have been successful. We have obtained good results from the military point of view. The number of casualties cannot yet be specified exactly. However, we know that there are many, and that the M-19 is in bad shape. There have also been clashes among the rebels themselves because of a power struggle among several leaders."

According to the commander of the 8th Brigade, there is dissatisfaction among members of the columns that operate in El Valle, Quindio, and other areas of the country, over the bad treatment they received. Moreover, he said, it is now known that the M-19 guerrillas are very poorly fed.

Then, Gen Jimenez added: In addition, the guerrilla fighters have complained -- and they have been heard by the peasants -- about the poor leadership and a lack of military tactics. They complain because they are poorly fed. People from the area are very surprised to see that when the guerrillas attack, they only search for food supplies. They are starving.

"During our tour of haciendas and farms, we noted that the guerrillas had stolen a number of young bulls and cows. The guerrillas even promised on some occasions to pay back what they consumed.

"Of course, they never did," the general said.

We have been able to verify that most of the rebels are in very poor health. Since the occupation of Genova, for instance, they have not been able to break through the military cordon.

The guerrillas are carrying some wounded, and have no means of treating them. They have been unable to receive medical and hospital attention. As they move around, the guerrillas have watched helplessly as several of their wounded died. These columns, now the most important M-19 columns, are being systematically decimated.

We continue fighting against the M-19. We will endure as long as necessary. Our duty is to defend the law and the citizens. We have to fight those who are breaking the law. That is what we are doing.

FARC RELEASES SOME HOSTAGES, HOLDS OTHERS

PA120312 Madrid EFE in Spanish 2104 GMT 11 Aug 85

[Text] Neiva, Colombia, 11 Aug (EFE) -- Today the Revolutionary Armed Forces of Colombia, FARC, 13th Front, released 4 engineers it had kidnapped last Friday together with 55 [figures as received] workers of a construction firm in Pitalito, Huila Department, 100 km from Neiva, capital of the department.

The rebels have kept 30 workers of the Conciviles Company -- which is building the road from Pilalito to Mocoa in the southwestern part of the country -- as hostages in order to force the company to make concessions to the workers.

The Colombian radio network, CARACOL, reported that FARC is holding the 30 workers to gain their sympathy by obtaining some labor concessions for them.

The authorities first reported that FARC's 13th Front had decided to stop the equipment and personnel from working when the company directors refused to deliver the $80,000 the FARC 13th Front was asking for to finance its guerrilla activities. A day after the kidnapping, 20 workers of Conciviles were released. This company is having problems with the union on matters concerning benefits.

The FARC signed the truce with the government on 29 March 1982 [date as received] after 35 years of fighting in rural areas, although some of its fronts have announced that they will continue their guerrilla activities.

GARCIA: U.S. BANKS VIOLATE U.S. ANTITRUST LAWS

PY102358 Paris AFP in Spanish 0533 GMT 10 Aug 85

[Text] Lima, 9 Aug (AFP) -- Peruvian President Alan Garcia today told a visiting U.S. congressional committee that their country has violated U.S. antitrust laws in the case of the foreign debt of the developing countries.

Alan Garcia made this statement today when he received in Government House a U.S. congressional delegation headed by Democratic Representative from New York Charles Rangel. This committee is visiting several South American countries to assess progress in the struggle against drug trafficking.

Garcia said U.S. banks violated the antitrust law by acting jointly to prevent free competition in the extension of credits. He said the banks overestimated the payment capacity of the debtor countries, caring only about earning interest, without regard for preserving the capital of American savers. What they really wanted was to increase the debt by raising interest, he added. Alan Garcia admitted that the debtor countries are responsible for their debts but added that those who have granted loans knowing that the borrowers were near bankruptcy are also responsible. He said U.S. banks have concealed information about their true financial situation in order to renegotiate payments and to avoid holding the reserves required by U.S. federal laws.

Alan Garcia reiterated that the Peruvian Government will use 10 percent of the income it obtains from export to pay the foreign debt. Peru wants to pay its debt, but it will renegotiate it directly with the banks, he said. He will not accept IMF intermediation in the renegotiation, as he said in his inauguration speech on 28 July.

If I went to a court in Pennsylvania or New York and charged the banks with violation of U.S. antitrust laws in the case of the foreign debt, I am sure the courts would agree with me, President Alan Garcia said.

Turning to another subject, the president announced that a law to punish drug consumers as severely as drug sellers is being prepared. He said U.S. laws are very lenient on drug consumers. I do not want the youth of my country to take drugs. I defend our young people and I do not want them to take that poison. However I also want to defend American youth, so I will not allow that poison to be exported to the United States, he said.

PRESIDENT ANNOUNCES NEW STEAMLINING MEASURES

PY091300 Lima Radioprogramas del Peru in Spanish 0400 GMT 9 Aug 85

[Text] After a lengthy cabinet meeting, President Alan Garcia addressed the people, who gathered at the Plaza de Armas, from the Government House balcony usually used to review parades. The head of state revealed that, as in Petroperu's case [State Petroleum Agency], all state-owned enterprises will be reorganized and large salaries will be eliminated.

Garcia also announced that the number of Peruvian diplomatic personnel serving abroad will be reduced and that the large mansions that serve as residences for the Peruvian ambasador in Washington and the Peruvian representative to the United Nations in New York, respectively, will be sold.

[Begin Garcia recording] Quite often, I have said that in Petroperu 11,000 persons earn more than 2 billion soles, that is, they earn more than the 175 teachers working in Peru whose salaries have just been increased by 22 percent. There are officials in Petroperu who earn thousands of dollars a month. There was an official who was earning $2,000, that is, 200 million soles a month. Therefore, we have decided to reorganize Petroperu and we will reorganize all the state-owned enterprises to do away with the managers, assistant managers, advisers and trustees who are earning millionaire salaries in soles. [shouts, applause]

We will do the same with our diplomatic service because we have too many diplomats outside Peru who are being paid in dollars while here in Peru we barely earn enough soles to make a living or to survive. I have just told the foreign minister that I am ordering a reduction in embassy personnel. I am also ordering that the number of diplomatic personnel, as well as military, Air Force, and Navy attaches be reduced.

We must learn to live in accordance with the Peruvian reality. Peru is a poor country. In the United States we have an ambassador's house which is better than Lima's Government House. [shouts, cheers] We have a residence in Washington which I have been told is worth more than $10 million, that is, 140 billion soles. Therefore I have just ordered that it be sold. We will use the proceeds to serve the people. [shouts, hails, applause]

In New York, a family called Vanderbilt, one of the wealthiest families in the world, owned a palace -- the Vanderbilt palace. Peru purchased that palace as a residence for the Peruvian representative to the United Nations. This place is called the Vanderbilt palace. And I have said that a Peruvian ambassador cannot live in a palace. That palace must also be sold. [hails, shouts]

We cannot have ambassadors who earn $7,000 a month, that is, 100 million soles. A Peruvian ambassador is the ambassador of a country that is going through a poverty crisis and the ambassador must be a person used to poverty. [hails, shouts, applause]

FORMER GOVERNMENT MEMBERS ACCUSED OF CORRUPTION

PY091335 Madrid EFE in Spanish 0021 GMT 8 Aug 85

[Text] Lima, 7 Aug (EFE) -- Former Peruvian President Fernando Belaunde Terry today summoned the main leaders of his party for an emergency meeting, following the political turmoil unleashed in the country in view of reports accusing some members of his government with involvement in drug trafficking.

Deputy Aureo Zegarra has reported that the meeting of leaders of the Popular Action -- the government party until 28 July -- will be held tomorrow. Zegarra categorically denied that the former prime minister is involved in cocaine trafficking. He added that Luis Percovich will soon return to Lima to clear his name of the allegations made by sectors seeking to discredit the last government. Before he became foreign and prime minister, Percovich was the interior minister, in which ministry a drug traffickers group of unknown size has been discovered, according to prosecutor Cesar Elejalde.

Elejalde confirmed that Percovich, as well as all members of the Interior Ministry, are being investigated. He directly referred to two generals of the Peruvian Investigative Police [PIP]. He added that at least 50 percent of PIP personnel are involved in illegal activities.

Moreover, the moralization campaign being undertaken by the American Revolutionary Popular Alliance [APRA] seems to be focusing first of all on the reorganization of the police forces, a goal repeatedly announced by President Alan Garcia in his campaign speeches. Garcia has stated that the PIP must purge its cadres to regain the people's confidence because it has been infiltrated by pernicious elements who have allowed corruption and abuse to prosper while they have been lazy or accomplices.

There are three police corps in Peru: the Republican Guards, the Civil Guards, and the Investigative Police, which more than once have solved their rivalries with shoot-outs.

Interior Minister Abel Salinas today reported that the police reorganization is awaiting a legal decision by Congress. He has promised that he will conduct the reorganization firmly and energetically.

SHINING PATH LEADER HEADED 7 AUGUST ATTACK

PY102054 Paris AFP in Spanish 1742 GMT 10 Aug 85

[Text] Lima, 10 Aug (AFP) -- Police reported today in Lima that Abimael Guzman Reinoso, leader of the Shining Path terrorist group, ordered a series of terrorist attacks, including the one on 7 August, in retaliation against authorities for having captured one of his main lieutenants.

Guzman Reinoso, alias Comrade Gonzalo, initiated guerrilla fighting more than 5 years ago in the Andean zone of Ayacucho. He is currently in Lima, where he personally led the 7 August terrorist attack that caused a power outage, which continues in some Lima sectors.

A car-bomb exploded in front of the prefecture, and 11 more dynamite attacks took place that day. In the attack, six people, including two policemen, were wounded and five cars and four houses were damaged. Property damage is estimated at about $143,000.

General Fernando Reyes, chief of the Antiterrorism Directorate [Direccion Contra el Terrorismo -- Dircote], reported that Guzman is in Lima because of the arrest of Fernando Escobedo, alias Comrade Pablo, one of the main Shining Path leaders. His arrest represents a blow to the terrorist organization. Gen Reyes reported that Escobado was detained on the streets of the port of El Callao the night before the presidential inauguration. He was carrying a submachinegun, which according to gun experts, was used in the 24 April attack on Domingo Garcia Rada, president of the National Electoral Court.

In retaliation for the arrests of Escobedo and others who have affected the terrorist organization, Abimael Guzman Reinoso ordered several terrorist attacks like the one just reported, Gen Reyes said.

Meanwhile, the prefect of Junin Department, Virgilio Flores, has reported that yesterday, in Huanuco, 300 km from Lima, terrorists blew up some high-tension pylons of the Huancavelica-Pisco power system depriving many towns of the Sur-Chico zone of electricity.

The state company Electro Peru has reported that the power supply will be totally reconnected in all the cities including greater Lima either today or tomorrow. Presently, only 50 percent of the power in the areas that have been attacked is being provided, the company said.

Without actually reporting the number of pylons that were blown up -- which may be seven, according to some reports -- Electro Peru said that the power supply from the Mantaro Hydroelectric Plant had been put out of service by the attacks, and that the Santa Rosa Canon del Pato, thermal plants near Lima, are now supplying emergency power.

LUSINCHI REJECTS CASTRO'S DEBT PROPOSAL

PA120235 Buenos Aires REUTER in Spanish 2228 GMT 11 Aug 85

[Excerpt] Caracas, 11 Aug (REUTER) -- Venezuelan President Jaime Lusinchi rejected Cuban President Fidel Castro's proposal that Latin America not pay its foreign debt, but he did approve all efforts for better payment terms.

President Lusinchi told the news media in Valencia, 160 km west of Caracas, that Castro's proposal was absolutely different from the policy approved by his government.

"I would like to know the terms obtained for refinancing Cuba's debt to the Paris Club, the USSR, and other countries of the socialist bloc, which were recently mentioned," Luscinchi said.

President Lusinchi said that Venezuela's position is in accordance with that of the Cartagena Group, comprised of 11 nations, which is trying to establish a dialogue with the creditors to get better payment terms of the Latin American foreign debt, which is $360 billion.

ELECTORAL COUNCIL LEGALIZES NEW PROTESTANT PARTY

PA100408 Caracas EL NACIONAL in Spanish 30 Jul 85 p D12

[Excerpts] Ciudad Bolivar, 29 Jul -- The Supreme Electoral Council has declared the Authentic Renewal Organization [Organization Renovadora Autentica -- ORA], a Protestant social political party, to be nationally legal and competent to participate in the upcoming elections.

Juan R. Gonzalez, a dentist based in Guayana who has emerged as ORA's national leader, explained that his organization "is based on the social principles of the Protestant Reformation, whose initiators were inspired by the Bible and God's word."

ORA claims that its philosophy is different from that of other Venezuelan or Latin American political parties "because, instead of faith in the Bible, those parties are full of superstition and idolatry. The Venezuelan social democrats, in line with Morales Bello's theory, are atheist and liberal because they do not believe in absolute values," he said.

Gonzalez describes his party as critical of political organizations that have a structured hierarchy of chiefs and subchiefs [cogollos y cogollitos]. "We, on the contrary, have a more flexible structure, with the widest possible popular base," he said.

He explained that although ORA has the support of the "evangelical brothers," it is not a religious or confessional party, but one open to all.

FRENCH ASSEMBLY PRESIDENT ADDRESSES CONGRESS

PA092048 Madrid EFE in Spanish 0308 GMT 8 Aug 85

[Text] Mexico City, 7 Aug (EFE) -- The Caribbean and Central American people, just like all other people, have the right to choose the political regime that they like best, French National Assembly President Louis Mermaz said here. Mermaz added that those countries should not become a threat of any kind to their neighbors, nor should they be subjected to pressure from more powerful neighboring countries. Mermaz, who heads a French parliamentary delegation on an official tour of Mexico, addressed the Mexican Congress.

The French Assembly president said that France does not want that part of the world to be turned into an area of foreign interference or East-West confrontation. Mermaz also added that if the United States and the USSR sign an agreement for an arms and nuclear test freeze, France would respond favorably.

OIL INCOME MAY REACH GOAL OF $16 BILLION

FL101550 Mexico City NOTIMEX in Spanish 2350 GMT 9 Aug 85

[Excerpts] Mexico City, 9 Aug (NOTIMEX) -- The Secretariat of Energy, Mines, and Parastatal Industry said that this year Mexico has earned income of more than $7 billion in oil exports.

The director of that organization's energy policy, Aaron Dytcher Poltolareck, said the possibility of achieving the goal of $16 billion for 1985 has been increased because of the new sales contracts that could soon be finalized.

The official spoke of productivity as an essential basis for the operation of the energy sector's parastatal businesses at that critical moment. He stressed that we should not return to the era of the "easy lifestyle" of thinking in oil as the way to resolve economic problems, but to give the proper dimension to that industry.

Dytcher Poltolareck said that way the federal government will give a greater margin to sector maneuvers that increase capacity and respond to internal reverberations and foreign commitments. Dytcher Poltolareck also said that in the 1990's a difficult time is expected for the international oil market particularly because of the tendency for low prices. He did indicate that according to the sales realized through last month, it is possible to realize the goal established for 1985 of $16 billion.

ARDITO BARLETTA DISCUSSES ECONOMY IN INTERVIEW

PA102214 Panama City Circuito RPC Television in Spanish 2300 GMT 8 Aug 85

[Interview with Panamanian President Nicolas Ardito Barletta by Panama City Circuito RPC Television News Coordinator Julio Miller on 8 August -- place not given]

[Text] The contents of the letter of intent [to the IMF] may be modified in light of the country's real needs, President Nicolas Ardito Barletta asserted today.

Initially, President Ardito Barletta was questioned by Julio Miller, our news coordinator, on whether the government seeks, based on the letter of intent, to encourage exports through sacrificing and removing protection to industries that are currently providing substitutes for imports or to others that may be developed in Panama. Here are his statements:

[Begin recording] [Ardito Barletta] I realize this is an interpretation of this technical document. I think it would be advisable to make clear the following:

In the first place, the national government is convinced that we must give reasonable protection to our existing industries, which are the result of many years of work and sacrifices by many Panamanian businessmen, so that they can continue to be dynamic, to thrive, and to make contributions to our community.

In the second place, we must provide technical assistance, reduce costs, and make the entire country more efficient in order to enable industry to export more, just like we export services and agricultural and livestock products.

In the third place, it is important to promote new investments by Panamanians, by foreigners, and by Panamanians in conjunction with foreigners in order to produce exports because our country must export in order to generate the jobs and the well-being required by our people. Panama must continue to produce for local consumption, but it must also export more in order to solve our serious balance of payments problem.

The interest payments on the debt create a foreign currency drain. So, we must generate foreign currency through exports to counteract this effect and to create jobs. Therefore, it is important to rapidly correct this misconception because, by maintaining reasonable protection, by promoting the export of Panamanian products, and by promoting more foreign and domestic investment for exports, we can achieve both ends.

Two months ago we said that if the terms in the letter of intent on this matter are not the best, then in order to improve we must definitely negotiate and raise them again with the World Bank. In fact, I am happy that the industrialists have accepted this proposal and are talking constructively with the cabinet ministers on this subject.

[Miller] Mr President, are mechanisms established in the letter of intent to reduce the level of protection for the domestic industries? How can this measures be justified without first trying to implement a reduction in costs, such as those of electricity, water, and other basic elements , such as an increase in labor productivity?

[Ardito Barletta] That is an excellent question. In effect, one fundamental thing we must do is to make the overall economy -- private and public economy -- more efficient. This implies driving down the various costs of production or, in other words, increasing productivity. If productivity actually increases, it means that costs will go down. Theefore, emphasis should be placed on reducing the cost of public services. The cost of electricity and water, port charges, airport charges, and other elements which are important to private economic activities may be reduced. Labor productivity can also be increased. If things improve in this way, the excessive protection to industry would be superfluous and can also be reduced -- which will, in turn, reduce the citizens's cost of living.

Both can go hand in hand. If there is no reduction in costs the protection must not be reduced, either, in order not to affect the existing industries.

[Miller] Mr President, spokesmen for the affected sectors view the economic policy embodied in the letter of intent as being more favorable to foreign investors than to Panamanian investors. To what extent [5-second break in transmission].

[Ardito Barletta]... Panamanian. We need the support and the complementary advantages afforded by foreign investments. The flow of foreign capital would help our economy at this moment and this in turn will help us export, as has already happened on other occasions. However, this complements the activities of Panamanians. Furthermore, many of these investments must be made in conjunction with investments by Panamanians. Sometimes, foreign investments have added advantages in that not only do they bring in capital, but they also help us by providing better production technology and by providing an entree into foreign markets. However, the most important investments are those made by Panamanians, complemented by investments by foreigners.

[Miller] Mr President, let us view another angle of the letter of intent. There is great concern in the sector of representatives and agencies with regard to the elimination of current regulations that protect the agencies that represent imported articles and that are protected by Decree-Law No 344. They are concerned about the content of the letter of intent. The concern is somewhat general. Is their interpretation of the letter correct?

[Ardito Barletta] It is true that there is a paragraph in the letter of intent that states that these representative agencies must be studied so as to look for ways to reduce the costs to the Panamanian consumers. Since we have felt the concern that you mentioned, I gave instructions to the commerce and industries minister to the effect that, in agreement with the Panamanian Chamber of Commerce, they will appoint a study commission to analyze this topic. We will accept the recommendations of that commission, which I understand will be comprised of seven representatives of commerce and the national government. In this as in other cases, the letter of intent proposes a study and not specific measures. Therefore, I think that the most advisable step will be for the commission to study the problem and issue a positive and specific recommendation that takes into account the various involved sectors.

[Miller] The letter of intent has caused unease and concern among different sectors of the country because it involves a change in the economic model based on the promotion of exports and the end of the protection for the national industries that replace imports. If this is a correct interpretation, would the president be willing to change the content of that letter of intent?

[Ardito Barletta] Of course. In that letter there might be paragraphs that are not clear or that are written in excessively technical language. The technical group that worked on this was reporting to a technical group of the World Bank and not to the citizens in general.

We are the first to admit that it includes a number of paragraphs that perhaps do not sufficiently clarify the points or that are not very specific. This must be modified as a result of the dialogue and the negotiations being carried out with different sectors. What we seek is a reorientation of the economy to resolve its problems. This is what we have been proposing since the political campaign. This reorientation calls for restraining public expenditures in order to protect the handling of the finances and the foreign debt, reactivating the private economy as the main source of jobs and development in the next few years, and increasing exports because they will enable us to service the debt, make the economy more dynamic, and create more jobs. Therefore, what we seek is an adjustment in the orientation of the economy rather than a change in model.

As I said earlier, in the industrial area, we have to maintain reasonable protection for the existing national industry because it is ours, it produces jobs, and it has large investments. We must make it more efficient and improve its technology. We must encourage greater productivity at all levels so that the costs will drop. It must be helped so that it can continue to export. The protection will be reduced only when it is verified that it is not necessary and that it is excessive.

I am not saying anything new. I have been saying this for a long time. On page 19 of the pamphlet that I published in November 1983 entitled "An Agenda for Panama's Integral Development," I said: In Panama we can gradually move towards the second option, which is to maintain adequate protection for most of the current industry, while encouraging it to reduce costs with the suitable technology and with the exploration of the export possibilities. In order to obtain more exports and more efficiency from an industrial sector, it is not necessary to abandon the existing industry. We have consistently maintained this view. We think that based on this view, we will reach the necessary agreements with the industrialists. That is why we have faith that during the negotiations that we have begun, we will find the best response to this point and will then be able to raise this issue before the World Bank again.

We must recall that in the preliminary negotiations in April and May that produced this letter, the Panamanian government was able to make flexible the World Bank's prior position that had been discussed with the previous government. We have said that if that flexible position in that letter is not sufficiently realistic for the national needs, it can and must be modified as a result of the current negotiations in order to find a national agreement with the industrialists. The most important thing in seeking greater efficiency in the economy and a greater possibility for industrial exports is that this be achieved with everyone's participation -- with the industrialists, producers, workers, and the national government. We are sure that in this way we will not make a mistake and we will be able to find a Panamanian solution to the problem.

[Miller] Some sectors are talking about a suspension of the national dialogue that seeks to find solutions to the proposals in the letter of intent. How is the executive branch handling this situation?

[Ardito Barletta] I think you have to differentiate between an interruption of the dialogue by all the sectors and a suspension of the dialogue. At this time, a dialogue is being held with each of the sectors to discuss the topics that they want to negotiate jointly. Therefore, the dialogue is continuing. All the groups have expressed a desire to continue working. That is what is good and that is what is important. We share everyone's concern. It is important that the groups in the dialogue act responsibly, positively, and constructively without being afraid to negotiate the best solution for our current problems. We maintain faith and confidence in their desire to continue to participate and to have each group talk about the topics that most concern them so that these positions can be addressed in a joint dialogue. [end recording]

LABOR GROUP MARCHES, REQUESTS DEBT MORATORIUM

PA091455 Panama City STAR AND HERALD in English 9 Aug 85 pp 1 a, 6 a

[Text] The National Council of Organized Workers (Conato) yesterday asked President Nicolas Ardito Barletta to suspend payment of the foreign debt to the World Bank and the International Monetary Fund, beginning with the next national budget, this implanting a "moratorium until the year 2000." The petition was made by a commission named by Conato following a march staged by the Council from Parque Porras to Santa Ana Park.

Conato, that on July 1-2 called for a 48-hour work stoppage to protest proposed reforms to the Labor Code, reiterated its stand in not "accepting any modifications to the Panamanian Labor Laws." More than a dozen labor organizations and other affiliated unions, the Union of University Students (UEU) and the Workers Socialist Party joined the march voicing their refusal of the Letter of Intent with which the government seeks to renew a loan with the World Bank. Speakers at a meeting held after the march in Santa Ana Park, expressed their solidarity with newly-inaugurated Peruvian President Alan Garcia who said that Peru will pay only 10 percent of its export to the foreign debt.

OFFICIALS VIEW 'CRISIS' IN TOURISM INDUSTRY

PA102256 Panama City STAR AND HERALD In English 10 Aug 85 p 1 a, 6 a

[Excerpt] Minister of Commerce and Industries Jose Bernardo Cardenas said yesterday that tourism and the hotel business have been in a critical stage for the last four years.

Cardenas, who is well versed in this activity, said that the crisis was due to worldwide recession, warfare in Central American countries and tourists abandonment of Panama during the last years. The minister said that this situation has worsened due to the grave economic crisis and added that "the flow of American tourists to Panama had reached its lowest level."

Cardenas stressed that the Panama Tourism Institute (IPAT) to correct this anomaly will put into practice, an aggressive promotional campaign in the United States, which will have the slogans: "My Name Is Panama."

"We cannot continue to disregard any longer the potency of tourism, while other countries are successfully exploiting the industry," Cardenas said during a recent meeting with the Board of Directors of IPAT, of which he is president.

Meanwhile, Carlos Jayes, president of the Panama Hotels Association (Apatel) told this newspaper that there are many factors causing deterioration to tourism in Panaman, and it is time that we "took the bull by the horns." Jayes said that inadequate promotion outside of Panama, and the absence of coordination on the part of government entities linked with the industry are responsible for the collapse of the tourist trade. Jayes said that the failure of vigilance on the part of authorities and the mistaken policy of inspection, used by the customs is disturbing to tourists who have no other alternative than "not to return to Panama."

"We are actually tied to the policy of Air Panama, the local airline, which reports full flights and satisfy their problems, but the shortage of frequency in its flights can be noted in shortages of seats, which limits the entry of more tourists," Jayes added. [sentence as published]

Air Panama hasn't sufficient planes to suffice the flow of passengers to Panama, cause for which many would-be passengers are on hold, Jayes said. "We will get nowhere by launching campaigns in the United States with slogans such as "My Name Is Panama", if there is no means of transporting the visitors. "If there is no increase in the frequency of flights, we will gain nothing with these promotions," he said.

Civil Aeronautics, on the other hand, is charging too much for the use of the airport, Jayes, said. The sum of $15 is too much, considering that other airports, more important than ours, charge half that amount, Jayes added.

Other factors damaging the tourist trade, Jayes said are "excessive inspection and bureaucracy on the part of customs inspectors, deficiency in transportation and the high cost of electricity" he added.

Hayes made it clear that with the few hotels now operating in Panama, it is impossible to make a profit, having the pay for administering the hotels, maintenance and electricity.

However, Alberto Garcia de Paredes, General Manger of IPAT, is redoubling his efforts to launch the campaign which he is confident will be successful.

TRUCKERS AGREE TO CALL OFF 48-HOUR STRIKE

PA111321 Panama City STAR AND HERALD in English 11 Aug 85 p 1 a

[Text] A moratorium of one year on the application of Law 16 which regulates weight and dimensions of trucks was agreed on by representatives of the Truckers Union and a government negotiating committee. The decision was reached after several hours of talks between the negotiating committee headed by Vice Minister of Government Oscar Ucros and representatives of the union from Herrera, Los Santos, Colon and Chiriqui. The dialogue was held in the Veracruz Hotel in Panama, with the aim of arriving at an agreement to solve discrepancies arising from Law 16 which led Truckers to declare a strike that lasted 48 hours.

The truckers were insisting that if their demands were not met, the strike would have been "extended indefinitely." However, the decision reached averted a strike that could have crippled the nation. A highlight of the agreement was the freezing and temporary suspension of license plates and licenses for all trucks in circulation during 30 days.

DEPARTMENT CANCELS SPECIAL PERMITS OF 78 AMERICANS

PA092049 Panama City STAR AND HERALD in Spanish 8 Aug 85 pp 1 a, 6 a

[Excerpt] In compliance with its responsibility in the application of migratory dispositions as contained in the Torrijos-Carter Treaty the Immigration Department of the Panama Defense Forces, yesterday cancelled special permits issued to 78 American citizens working with the Panama Canal Commission. The measure does not limit their entry or departure from Panama, but cancels the special permits issued previously. In the future, they will be able to enter and leave Panama, on filling out the necessary tourist documents. Prior to cancelling the special permits, the Immigation Department informed the Panama Canal Commission on the measure applied to the 78 Americans. At the time of these cancellations, permits were issued to other foreigners in the employ of the Panama Canal Commission.

COSTA RICA

MONGE CALLS FOR MODERNIZATION OF POLICE

PA091836 San Jose Radio Reloj in Spanish 1200 GMT 9 Aug 85

[Text] President Monge said that the country's moral will and international law are tools to defend the country's institutions and democratic system. He made this statement during the closing ceremony of a police course that took place at noon yesterday at the Rural Police Training School in Cartago.

Executive decrees appointing rural guardsmen to posts or granting them equivalent ranks were signed as well. In addition, President Monge Alvarez said that as for the issue of internal security, we must conduct an all out effort to modernize the Civil and Rural Guard. He added that this should be done without becoming an aberrant police state that places the odious state security above legitimate private security. As for the defense and preservation of national sovereignty, the head of state said they both require similar treatment. However, this does not entail reestablishment of the Army as a permanent institution.

President Luis Alberto Monge believes that the country's refusal to prepare for war should not be seen as a sign of weakness or cowardice. He said: We are a peaceful but proud people that depend on the great fighting will of its citizens and the moral [word indistinct] of our democratic institutions as opposed to the strength of weapons. He added that we must make all possible efforts to improve material and living conditions of our police force without succumbing to totalitarian temptations.

CONTADORA DEPUTIES CONSIDER BORDER INSPECTION

PA091615 San Jose Radio Reloj in Spanish 0100 GMT 9 Aug 85

[Text] In keeping with a Costa Rican condition to hold a dialogue with the Sandinist government, a Contadora Group commission may be formed to inspect the Costa Rican-Nicaraguan border. With this in mind, the Contadora Group deputy foreign ministers arrived in San Jose today. They are (?touring) all area countries to hold consultations with the respective governments on [words indistinct].

Costa Rican Foreign Minister Carlos Jose Gutierrez said that the foreign ministers are visiting Costa Rica to analyze the possibility of carrying out a Costa Rican request for an inspection. Costa Rica believes that, should the Nicaraguan Government agree with an inspection of our common border, the action would contribute to paving the way for dialogue, Foreign Minister Gutierrez said. However, he said that other requisites for a dialogue with Nicaragua made by the Monge administration would remain unsatisfied.

In addition, the border inspection would also support a request to send an OAS permanent observer, should a dialogue with Nicaragua not yield results. Costa Rica sees an inspection as a positive move. Costa Rica requested an inspection to show there are no rebel groups on our territory, as is continuously reported. Costa Rica is committed to its neutrality. It also wishes to show that Nicaragua maintains full control of its border area.

Foreign Minister Gutierrez reiterated that as long as Nicaragua does not explain or apologize for incidents that took place in Las Crucitas on 31 May and 3 June, as well as for the aerial bombing of Barra del Colorado on 26 July, Costa Rica will not participate in a dialogue.

In so doing, Foreign Minister Gutierrez reacted to a dialogue proposal brought by the Contadora deputy foreign ministers. Gutierrez said that (?their proposal) does not include Costa Rican demands. He added: As long as explanations demanded by Costa Rica on the regrettable incidents that took place in Las Crucitas and [word indistinct] are not given, we will not participate in a dialogue.

A commission tasked with inspecting the common border of the two countries would be made up of military and civilian members from Contadora Group countries. It is expected that the group will be established by next week and that it will begin working on a plan to [words indistinct], and the coordination with the respective governments.

It is believed that the commission would carry out an inspection in approximately 2 or 3 weeks; this information could prove useful, should there be a dialogue with Nicaragua or should Costa Rica take the case to the OAS.

EDITORIAL REJECTS ORTEGA'S PROPOSAL TO MONGE

PA110053 San Jose LA NACION in Spanish 5 Aug 85 p 14 A

[Editorial: "Orgeta's Proposals"]

[Text] In a letter dated 2 August, Commander Daniel Ortega, Nicaraguan president, answered the letter that President Monge had written to him 2 days earlier. For the first time, President Monge had directly told Ortega that their countries "can have the normal friendly relations they have traditionally had." However, President Monge also urged Ortega to see that his troops stop harassment actions on our border, like those that have taken place in the past few days, and let him know that the Costa Rican Government will respond to any future aggression.

In his reply, Commander Ortega blamed the border tensions between the two countries on foreign forces interested in spreading the Central American conflict and in finding a pretext for a military intervention in Nicaragua. Based on this view of the region's political reality, which of course is far from the truth, President Ortega proposed a solution that has become an obsession with him, consisting of establishing, with the support of the Contadora Group and France, a security zone along the common border. In other words, Ortega is reducing the solution of the Central American problem and the problem between his country and Costa Rica to the demilitarization of the border between the two countries under the support and vigilance of the Contadora Group and France.

However, President Ortega does not say a thing about approving the Contadora plan, including the observations made by El Salvador, Honduras, and Costa Rica which have to do with control and vigilance mechanisms, or about the Managua regime democratization, the domestic dialogue for peace, or about reducing its Army and dismantling the Marxist-Leninist program. What he and his government are interested in is securing their southern front and having the Contadora Group and France guarantee that the regime will have no trouble from that side.

Ortega expects the Costa Rica Government to forget its dead, the constant violations of its territory and airspace by the Sandinist forces, and everything that has occurred. He expects the Costa Rican Government to sit down with the representatives of the Sandinist government sponsored by the Contadora Group and France to negotiate the only issue they care about, which is to eliminate from the southern part of their country the anti-Sandinist groups struggling for a return to the true ideals and objectives for which the Nicaraguan people struggled against the Somozist dynasty.

We cannot understand why France has to participate in the negotiations or how Costa Rica can agree to a dialogue that only favors Nicaragua. It seems to us that the idea in itself and all the rhetoric displayed in Ortega's letter is an obvious insult to Costa Rica. In his reply to President Monge, why doesn't Ortega talk about the things he should, including the real causes of the conflict in the area and the general tensions resulting exclusively from the existence in the heart of Central America of a supermilitarized regime of a definite totalitarian and expansionist nature? Like every totalitarian, he only refers to a specific subject, namely, the establishment of a zone on both sides of the border that should make it impossible to go from Costa Rica to Nicaragua, but very easy to go the other way.

Under these conditions it is obvious that Costa Rica's position should be to definitely oppose all bilateral solutions that do not rationally and adequately discuss the overall Central American problem.

SECURITY CHIEF ORDERS KIDNAPPING INVESTIGATION

PA091734 San Jose Radio Reloj in Spanish 1200 GMT 9 Aug 85

[Text] Acting Public Security Minister Johnny Campos ordered the Civil Guard to comb the area where kidnappers of the U.S. missionaries are reportedly hiding. The order includes the arrest of Mr Pancho Urbina, owner of the ranch in which peace flotilla members were detained. Campos, who did not rule out that the missionaries' kidnapping could have been a propaganda stunt, said that police measures are in keeping with the government's neutrality policy.

In addition, Colonel Johnny Campos voiced his interest in finding a more complete explanation of the kidnapping. This is why he ordered Civil Guard troops of the Tigre 5 Post in Las Tiricias to gather more information. The U.S. citizens arrived in that post at approximately 1600 [as heard]. The U.S. consul in our country also traveled to that area to personally gather details on the kidnapping.

PASTORA ASSOCIATES ARRESTED AS ACCOMPLICES

PA091850 San Jose LA PRENSA LIBRE in Spanish 30 Jul 85 p 6

[Text] Two persons have been arrested on orders of the Court of Arraignment in San Carlos for obstructing investigations carried out by authorities in relation to the helicopter accident suffered by Eden Pastora, leader of the Nicaraguan rebels, on Wednesday.

According to information from Colonel Pedro Arias, deputy director of the Rural Guard, the two arrested persons are Blanco Ramirez and Salas Salazar. The official added that he has learned that Salas is the owner of the house where Pastora was taken after the accident and where he remained for several hours until he was moved elsewhere. There is an airport on the estate a few meters from the house, and authorities assume the helicopter was heading there when the accident took place.

Col Arias added that the vehicle in which Pastora was taken to the farm has been confiscated, and that another vehicle, in which he presumably left the farm, has not yet been confiscated. The arrested persons, who are in the custody of the Rural Police in Ciudad Quesada, were charged with abetting and endangering the country's sovereignty and neutrality by withholding information from the authorities.

ELECTION BOARD APPROVES PARTIES' REGISTRATIONS

PA101626 San Jose LA PRENSA LIBRE in Spanish 2 Aug 85 p 5

[Excerpt] The period of time established by Article 64 of the Electoral Code for registration of parties expired yesterday. Four parties interested in participating in the elections will be unable to, because the electoral institutions rejected their registrations.

The Ecological, Humanist, Social Democratic, and Democratic Laborism Parties will be unable to participate in the elections because the Supreme Electoral Tribunal [TSE] yesterday confirmed the resolutions issued by the Civil Registry to reject their registrations. The TSE accepted the reasons given by the Civil Registry director to reject the registrations as being in line with respective legal provisions, so the TSE had to confirm the resolutions. The TSE will be returning the respective files to the Civil Registry.

TSE President Francisco Saenz Meza announced yesterday that the convocation to elections has been drawn up. It calls on citizens over 18 who are duly registered in the electoral list to participate in the elections to elect the country's president, vice president, deputies, and city councilmen on 2 February 1986. The convocation will be issued on 7 August.

In accordance with the registry of the electoral insitutions the following parties have been legally registered to participate in the February 1986 elections:

At the national level: People's Action Party [Accion del Pueblo], National Christian Alliance [Alianza Nacional Cristiana], Costa Rican Concord Party, Independent Party, National Liberation Party, National Movement, National Democratic Party, National Republican Party [Partido Republicano Nacional], Social Christian Unity, Generalena Union, National Union Party, Radical Democratic Party, United People Coalition formed by the Costa Rican Socialist Party and the Workers Party, and the Popular Alliance Coalition [Coalicion Alianza Popular] formed by the Popular Vanguard Party and the Broad Democratic Front.

EL SALVADOR

DEPUTY FOREIGN MINISTER ON CONTADORA PROBLEMS

PA101425 San Salvador Radio Cadena YSU in Spanish 1800 GMT 8 Aug 85

[Text] Deputy Foreign Minister Ricardo Acevedo Peralta has confirmed that a bloc -- or group, as the news media have reported -- has been formed. Costa Rica, Honduras, and El Salvador comprise this block, with slight support from Guatemala. Nicaragua now stands alone in the Central American region, and the Contadora Group's policy has practically reached a stalemate. Consequently, Brazil, Uruguay, Argentina, and Peru have lobbied, and will continue to do so in the next few days, in solidarity with the Contadora Group, which has fallen into disgrace, the deputy foreign minister said today.

We do not accept procedures that might harm us and neither will the other countries. In this regard, the dialogue among deaf people will continue in the Central American region, judging from Deputy Foreign Minister Ricardo Acevedo Peralta's words. When Radio Cadena YSU's Press Department asked him today if rhetoric will cease and if the Foreign Ministry will adopt a much clearer and defined policy in the near future -- specifically referring to the border issue with Honduras -- the deputy foreign minister said:

[Begin recording] Before starting with the questions I invite you to [words indistinct] [end recording]

Meanwhile, the deputy foreign minister, as we said, today stated the Salvadoran Government's categorical position:

[Begin recording] Very well. First I will answer your question. You say that we have both dealt blows on the process; Nicaragua on one hand, and the Tegucigalpa group -- it is a figure of speech -- on the other hand. The former did strike an effective and overwhelming blow because they failed to attend a meeting convoked by the Contadora Group. The Contadora Group convoked us, sent us an agenda, and the Central Americans accepted participation in the dialogue, accepted the agenda because we came to Panama City. However, at the last minute -- before we sat down to talk -- Nicaragua said it did not accept the agenda, and it did not accept continuation of negotiations within the Contadora Group's process, because the Contadora Group had other different missions to fulfill before it continued the dialogue concerning the document for peace. Consequently, it was a definite and very serious blow, and it was quite evident.

The blow that you claim we dealt to the Contadora Group when we did not sign the document was because the Tegucigalpa group and the other Central Americans still had serious comments to make concerning the Contadora Document. The Contadora Document had not been finished. The final touches were still missing. That is precisely what we have been trying to do since the moment arose in this process, where the Contadora Group presented us with documents that had not been finished, and their contents still had not been approved by an overall consensus of all Central Americans. That is why the system was changed. In other words, Contadora accepted that there was an error. This is precisely why this type of mechanism has been installed, and we have been working on it during the last months. We have been analyzing the proposals, the contents of a document, analyzing and approving or modifying them by consensus among the five countries, which are the ones who must eventually draft the document.

Consequently, this was not a severe blow as you imply, because an error in procedures was involved. In fact, and I repeat this, the Contadora Group itself admitted that another path had to be taken so Central Americans could have the last word and place the last comma and period in the analysis of the agreements included in the peace document.

Regarding the verbosity and rhetoric that you claim has always imbued the spirit of the Contadora Group, I think propaganda is one thing and the real contents of the negotiation another thing. Concerning the propaganda, I understand there has been excess publicity, style, and prosopopoeia because the group wanted to promote its own excellence concerning the initiative. Now then, that is one thing.

Referring to the positive results of the negotiation I can assure you that they have been quite specific, within the scheme I have just explained to you. We sat down to review the document, which, according to the Contadora Group, had already been revised because they had requested our observations in writing, but the five of us had never met to discuss the document among ourselves, point by point.

Consequently, the scheme was changed, and we started the direct negotiation process among the five countries in order to approve all elements of the document by consensus. We are on this road and we have achieved...[changes thought] We have advanced a lot. What remain now are the most sensitive and critical aspects of the document, where it is even more difficult to achieve a consensus, meaning problems of ending a rash arms buildup, enforcing the document, freezing of weapons, establishing maximum and minimum limits of weapons, solving constitutional obstacles that precluded approval and signing the document, and bringing about the national dialogue and reconciliation that must advocate and create the mechanisms to make the dialogue possible. All this represents the core of the peace treaty and is still pending approval by consensus.

Even the structure of the verification and control commission, which is the most important procedural instrument of the mechanisms established by the Contadora Document, is still pending. We have yet to reach a consensus on the commission's structure, who will be on it, and how many will be represented. We have not reached a consensus concerning other aspects of the verification and control commission either. [end recording]

The deputy foreign miniter said it is necessary to create a commission comprised of plenipotentiary representatives who will maintain permanent contact, not as the Contadora Group is currently doing. Thus, the Central American representatives and the four Contadora Group members may meet and step up the policy for detente that is so urgently needed in the Central American region.

DEPUTY FOREIGN MINISTER ON HONDURAN BORDER ISSUE

PA112250 San Salvador LA PRENSA GRAFICA in Spanish 9 Aug 85 pp 3, 34

[Text] A failure to delimit the borders between Honduras and our country would be a disaster to both countries, Deputy Foriegn Minister Ricardo Acevedo Peralta asserted yesterday during a press conference. We even think that we must reach an overall settlement of the controversy because an overall settlement is much better than a partial one. We are working in earnest and responsibly, Acevedo added. Both governments have voiced their desire to achieve a bilateral solution before December. We are working intensely to conclude a bilateral agreement because this is mandated by the General Peace Treaty. We are not traveling from one country to the other for the fun of it; we are not wasting time. We are working responsibly to reach an overall agreement, which will be the most beneficial.

A failure at the bilateral level would be a disaster for the two countries. It would represent a moral and economic waste for both Honduras and El Salvador. And, as stipulated in General Peace Treaty, we would have to resort to the International Court of Justice.

"We are prepared. We have evidence and our own legal structure to defend our position before any international court. Likewise, Honduras must be prepared to go to court because this eventuality cannot be ruled out by either country. I hope Honduras and El Salvador will make an effort provided their sovereignty is not harmed and their territorial integrity is maintained. We need the support of both peoples to find a solution to the problem of defining the border between Honduras and El Salvador, Acevedo Peralta added." [quotation marks as published]

In response to questions from newsmen, Acevedo Peralta said that the matter of the border may become a political issue in Honduras. They are currently engaged in a political campaign there and the border issue may be used for political purposes, which would not be proper, but it is part of their political framework. We must realize that this is a complex and sensitive problem, particularly because this problem affects the sovereignty of the two countries and may be taken advantage of for political ends. It is for this reason that we are acting very carefully, with much finesse, and with enormous seriousness, the deputy foreign minsiter said in conclusion.

COLONEL OCHOA, REPORTERS TOUR CHALATENANGO

PA091507 San Salvador LA PRENSA GRAFICA in Spanish 7 Aug 85 p 2

[Text] The commander of the 4th Infantry Brigade, Col Sigifredo Ochoa Perez, toured several towns of Chalatenango Department last weekend accompanied by several newsmen.

The purpose of the visit was to show the information media part of the social work carried out in that area, including combing the area, patrolling, and combat, as well as psychological actions, medical attention, food supplies, and so forth. The official said that all the towns in the area are presently under the Army's control and that the subversives are presumably in the northern part of the town of Arcatao. The Belloso Battalion columns are now patrolling the area, but no clashes with the FMLN-FDR terrorists have been reported. Concerning the area, Colonel Ochoa Perez said that the central government is doing everything possible to recover the northern area, which has been affected by the violence. He also said he recently visited the United States concerning the U.S. aid for reactivation of Chalatenango Department and the entire northern area.

COPREFA ON DEATHS OF 3 GUERRILLA COMMANDERS

PA102310 San Salvador LA PRENSA GRAFICA in Spanish 8 Aug 85 pp 2, 11

[Text] The Armed Forces Press Committee [Coprefa] announced yesterday that three terrorist commanders, including Arnulfo who was in charge of the southeastern front of the Revolutionary Party of Central American Workers [PRTC], have died in combat. The official news organ of the Army said that Arnulfo died alongside another four subversive criminals during a clash in the area of Estanzuela, Usulutan Department. The clash began when a military patrol detected a column of terrorists moving in the area. The source said that six other FMLN-FDR elements were wounded. They were quickly taken to the Santiago de Maria Hospital. The government forces seized an M-16 rifle and documents that were in the possession of the dead commander.

According to the source, the other important casualties inflicted on the FMLN by the Army were commanders Camilo and Tello, who fell in a clash with troops from the Armed Forces Engineers Battalion near the Santa Emilia Farm, in the area of Zacatecoluca, La Paz Department.

According to Colonel Inocente Montano, commander of this battalion, the Armed Forces, in addition to seizing two rifles, one M-16, one AR-15, and ammunition from the rebels, seized documents with information that Military Intelligence believes is very valuable. This information is being carefully studied to determine if it is relevant or not. Meanwhile, the Ponce Battalion, with headquarters in the 3d Infantry Brigade, has reported that an extremist died during a clash near the San Sebastian Canton, Nuevo Eden de San Juan Municipality. The authorities seized one G-3 rifle, ammunition, and documents from him. The Army battalion suffered one wounded soldier. Troops from the 5th Infantry Brigade with headquarters in San Vicente have reported that they had a clash with a guerrilla column near the village El Chorizo and that one terrorist died. The authorities seized one AR-15 with ammunition from him. Finally, the Ramon Belloso Battalion has reported that in La Laguna, Chalatenango Department, troops from this unit surprised a guerrilla column and that a rebel died in the clash that ensued. The authorities seized one M-16 rifle and ammunition from him.

FMLN ORDERS SABOTAGE OF COMMUNICATION LINES

PA101712 San Salvador EL MUNDO in Spanish 7 Aug 85 p 1

[Text] San Vicente -- The FMLN General Command has ordered its units in the central and adjacent areas, in San Vicente and La Paz, to cut telephone and telegraph lines of the National Administration for Telecommunications [ANTEL] and Salvadoran National Railroads [Fenadesal], according to information provided by rebels who have been destroying the lines in the San Vicente area.

It was reported today in San Vicente that due to this sabotage, telephone and telegraph communication is being interrupted. The guerrillas have downed poles and cut cables along the railroad, starting at km 169, near the Negro Bridge. There is no communication over the railroad with the country's east. The groups that were acting-up along the railroad lines near the Negro Bridge told ANTEL and Fenadesal watchmen that "the FMLN General Command does not want telephone or telegraph communications with the east and has cautioned the workers against doing any repair work because we are not going to be responsible for consequences suffered by anyone or anything. This is an order you must obey."

They also said that the guerrillas are going to initiate another sabotage offensive against the country's telecommunications system as a new combat strategy to destabilize the "war economy." Regarding the fire in the Augustin Sanchez school in Apastepeque, there are two different reports. The teachers have said that eight armed men this past Sunday set fire to the furniture and other objects in this school in the outskirts of the town, and that the attackers fired in the air as they fled. The police said the school is in the town's central area and that night at 2130 there was an electric storm and a short circuit in a refrigerator caused the fire that produced losses totaling 40,000 colones.

DEATH SQUADS REAPPEAR, THREATEN UNIVERSITY

PA111658 San Jose RUMBO CENTROAMERICANO in Spanish 1-7 Aug 85 p 7

[Text] Following a campaign promoted by the government of Jose Napoleon Duarte that limited for some months the activities of the ultra-rightist "death squads" in El Salvador, the Secret Anticommunist Army (ESA) reappeared this time to menace the members of the National University with a sort of psychological terrorism. The ESA threats follow other claims from the rightist sectors in the sense that the labor and student protests are being promoted "to play into the hands" of the leftists and the guerrillas.

A demand of the Secret Army to 11 universities' personalities set 20 July as the deadline "for them to adopt the necessary measures; otherwise, starting on that date, they [ESA] will issue instructions to carry out the ordered executions." The announcement of the possible attempt against the university brought reactions here and abroad, since there was the impression that the situation of human rights had already been improving in this country, at war more than 5 years ago.

The already well-known "death squads" (paramilitary groups) originated in the National Democratic Organization (ORDEN), created in 1968, supposedly by the former chief of the National Guard, Jose Alberto Medrano. Later, other groups were brought in, such as the "White Warriors Union," the "Maximiliano Hernandez Brigade," ESA, and others. Later, the paramilitary groups were linked to former Major Roberto D'Aubuisson, leader of the Nationalist Revolutionary Alliance (ARENA) and former presidential candidate. Despite the fact that D'Aubuisson has repeatedly denied his participation in the squads' activities and specifically in the case of the murder of Archbishop Oscar Arnulfo Romero (1980), rumors from various sources continute to insist on his guilt.

The many crimes attributed to those organizations have provoked serious problems for the Salvadoran Government and have been the cause in the past for the U.S. Congress to object to U.S. military aid for that Central American nation. When Duarte assumed power in June 1984, he announced he would dissolve those terrorist groups. Later, the president ordered the "immediate investigation" of the feared death squads, following the murder of a 17-year-old girl in August 1984, and the daughter of a Christian Democratic leader.

However, reports published then by THE WASHINGTON POST affirmed that the government's investigations had not yielded specific results. Currently, the Duarte government is engaged in a radio and television campaign, condemning the recent threats of the death squads, as well as the murder of 11 persons by leftist elements in the "Zona Rosa" of San Salvador, on 13 June.

Regardless of the position of the Duarte administration, some of those appearing in the ESA listings were forced to abandon the country with the help of the Catholic Church. They included professors, employees, and students, particularly leaders of the university groups. The "psychological terror" ESA intends to establish is caused by a wave of public protests promoted by the university, demanding the assignment of 20 million colones ($8 million) to cover expenses in the current school term.

"The critical situation of the National University is the result of a poor political decision to turn over its installations to the same group of the past, which belongs to the Communist Party of El Salvador," the ESA affirms. It adds that "despite the publicity usually mounted by them (the communists) denying this position, the control of our own files permits us to have the entire sequence (of those in the listings) since their days as students, their trips to communist countries, their contacts, and so forth.

In rejecting these charges, the university rector, Dr Miguel Angel Parada, told RUMBO CENTROAMERICANO that the phrase of "our own files" would appear to be related to a state security corps. "Who else but the government has files of political, labor, and university leaders?" the rector asked. He asked the government to show "it is not an accomplice of these paramilitary groups."

Aside from the national campaign against leftist and rightist terrorism, the government has denied any links with the squads, and has expressed its disposition to "persecute and dismantle them." The government propaganda asks the citizens to denounce those persons suspected of belonging to paramilitary groups and the possible leftist collaborators in the massacre last June at the "Zona Rosa" of San Salvador, which included four U.S. marines among the victims. However, ESA's intimidating attitude marks a new phase of activities of the paramilitary groups who, for the time being, have claimed no victims.

RADIO VENCEREMOS ON ATTACKS ON U.S. BASES

PA110007 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 9 Aug 85

[Text] Again, U.S. soldiers have been killed far from their territory. Again, U.S. leaders are raising their voices against the threat of terrorism that looms over the United States. This time, a U.S. military base in Frankfurt, FRG, has been attacked. As a result of this attack, 2 U.S. marines were killed, 11 others were seriously wounded, and 30 vehicles and several buildings were destroyed.

What is the framework for this new action against the United States? More than a quarter of a million U.S. soldiers have been stationed in the FRG and nearly half of the U.S. atomic weapons are deployed there. During the past 2 years, the installation of hundreds of U.S. long-range missiles in Europe has elicited a strong popular reaction in all European countries. Due to the fact that the Reagan administration and its allies in Europe have insisted -- against the opposition expressed by the European peoples -- on deploying this huge and extremely dangerous nuclear destruction power, popular, massive, permanent, and violent demonstrations have occurred in all countries affected by this deployment.

In addition, anti-imperialist movements have begun to attack the U.S. military presence directly in their respective countries. In the FRG -- where the largest concentration of U.S. air bases, barracks, and atomic missiles exists -- this resistance has become massive and violent. This is the framework in which the attack on the U.S. military base in Frankfurt occurred and this is the explanation for this attack, during which two U.S. marines were killed and 11 were seriously wounded.

For the leaders in Washington, this is another terrorist action. For them, this is further proof that the United States is surrounded and threatened by terrorist enemies. Armed attacsks on U.S. installations have occurred in Iran, Lebanon, Colombia, Chile, Italy, France, the FRG, El Salvador, Guatemala, and many other countries. U.S. military men have been killed during these attacks. U.S. Secretary of State George Shultz himself has described 125 U.S. ambassadors throughout the world as potential targets for terrorist attacks.

We ask: Is it possible that all of these countries are terrorists that attack the only good and innocent country -- the United States? Could it not be the other way around? Perhaps the Lebanese, Palestinians, Arabs, Europeans, Central Americans, and the other peoples are defending themselves from a common, terrorist enemy; namely, the U.S. imperialism. What does Mr Reagan plan to do since he thinks he is surrounded by terrorists all over the world? Is he planning to militarily intervene in all those countries, as he has been doing in El Salvador? Is he now planning to finance and equip security organizations in the FRG, as he has been doing for the Salvadoran police and death squads? Will he also do this in Chile, Italy, Guatemala, Lebanon, South Africa?

No, gentlemen inperialists. Quite the opposite is true. It is the other way around. You are the terrorists, not the victims. Those you describe as terrorists are only people struggling for self-determination. There are many of us in all those countries where Mr Shultz is turning U.S. Embassies into military bastions.

VENCEREMOS REPORTS FMLN LEADER KILLED IN PRISON

PA112227 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 11 Aug 85

[Text] Attention, the government of Napoleon Duarte has murdered an FMLN leader in one of the National Police prisons. Dr Doroteo Gomez Arias, FMLN leader, was murdered at the National Police Central Headquarters in San Salvador. Gomez Arias was arrested on 1 August and kept in the clandestine prisons of the National Police, where he was submitted to questioning for several days. They brutally tortured Gomez Arias to try to obtain information from him, until he was killed.

The report on his suicide released by the National Police and Napoleon Duarte's Government is absolutely false and absurd. This is just a way of denying any participation in this crime. Torture and killings in the National Police prisons are part of a policy maintained by the dictatorship for many years. The main chiefs of the security corps have a long record in this type of crime, like the one committed against FMLN leader Doroteo Gomez Arias.

General Blandon, Armed Forces General Staff chief, has a notorious criminal record dating from the days he was director of investigations of the National Police. Also, as chief of the 2nd Infantry Brigade, he developed the death squads in the western part of the country. We can say the same about the criminal records of the assassins Lopez Nuila, Vides Casanova, and many more.

GUATEMALA

GOVERNMENT TO DENY ENTRY TO NICARAGUAN MARCHERS

PA091701 Guatemala City Cadena de Emisoras Unidas in Spanish 2350 GMT 8 Aug 85

[Text] Ramon Zelada Carillo, public relations secretary of the Guatemalan head of state's office, today reiterated that the Guatemalan Government will not permit passage through Guatemala of the march of Nicaraguans who are trying to get to the United States. Zelada Carrillo said the Nicaraguans will not be able to enter Guatemala if they do not meet all the immigration requirements. He recalled that Guatemalan Foreign Minister Fernando Andrade recently said that the procedure will be to study their entry case by case.

The government spokesman added that the government will not permit a flood of people to enter because it risks the entrance of undesirable people or individuals whose conduct does not benefit the country's peace and stability. Zelada Carrillo also said Honduras is directly or indirectly responsible for permitting the approximately 800 Nicaraguans to come to our border on their way to Mexico.

HONDURAS

GOVERNMENT TO STOP ELECTRICAL SERVICE TO NICARAGUA

PA101810 Panama City ACAN in Spanish 1726 GMT 10 Aug 85

[Text] Tegucigalpa, 10 Aug (ACAN-EFE) -- The Honduran Government announced today that effective Monday it will cut off the electricity it sells to Nicaragua to that country's overdue debt of $1.5 million for this service. According to the National Enterprise for Electric Power (ENEE), Honduras supplies energy to Nicaragua at a cost of $500,000 a month. However, the Nicaraguan Government has not been paying Honduras for this service during the past 3 months, and an agreement is not considered possible in view of Nicaragua's current economic situation. In addition, 90 percent of bilateral trade between Honduras and Nicaragua has been suspended, due to the Sandinists' $40 million debt with Honduras in their trade balance.

GOVERNMENT TO PREVENT REFUGEES' MARCH TO U.S.

PA092020 Panama City ACAN in Spanish 1635 GMT 7 Aug 85

[Text] Tegucigalpa, 7 Aug (ACAN-EFE) -- The Honduran Government today confirmed that it will not permit the departure from the country of more than 1,500 anti-Sandinists who a week ago began an exodus to the United States without any documents. The marchers are now camped in land of the Association of Farmers and Cattlemen of Sula, 7 km east of San Pedro Sula, the country's second most important city, where they arrived after a 6-day walk that covered 253 km.

Most of the marchers are Nicaraguans who have refugee status in Honduras. They were joined by approximately 200 unemployed Hondurans, and a few Salvadorans and Costa Ricans whose legal status in the country is not clear. The organization that is sponsoring the march is called "Exodus" and its leaders hope to reach the United States in 5 months, and 2 months later to be in Washington for a huge protest against the White House's "soft" policy toward Nicaragua.

Honduran Government and Justice Secretary Arnulfo Pineda Lopez today told the press that "no one will leave the country without official documents which are passport, departure visa, and entry visa from Guatemala or any other country that participants in the exodus seek to enter."

Tomorrow the marchers plan to resume their trip toward the western border with Guatemala, specifically Agua Caliente, Ocotepeque Department, located 260 km from San Pedro Sula. They hope to be there in 5 days. "When the exodus reaches the border it must stop," Secretary Pineda Lopez said. "The Hondurans without documents must return to their places of origin, the Nicaraguan refugees must return to their camps -- all of them by their own means -- and the rest of the foreigners involved in this will have to face the immigration laws," he said.

The official said that the Honduran Government does not sympathize with the exodus and has permitted the people to move about in the territory "so as not to violate the right to circulate." He also explained that any Nicaraguan refugees who leave the country by any means "immediately lose the status that enabled them to remain in Honduras."

The Guatemalan and U.S. Governments have already warned the members of "Exodus" and the Honduran Government that they will not permit the entry into their territory of individuals who do not have the proper documents. The official position of the Mexican Covernment on the issue is still unknown. According to "Exodus" President Boris Leets Castillo, "it offered us all types of facilities to enter and cross its territory on the way to the United States." Leets Castillo believes that if the march reaches Washington, approximately 20,000 people of various nationalities will have joined it. It has also been clarified that none of the participants in the exodus plan to return to their country of origin and that they plan to live in the United States.

NICARAGUA

KIDNAPPED REPORTER ON CAPTORS, EXPERIENCE

PA092218 Managua Radio Sandino in Spanish 2001 GMT 9 Aug 85

[Text] A few moments ago we established contact with a reporter who traveled with and was kidnapped with the U.S. citizens on the peace flotilla. He is Manuel Carrillo, and he will tell us of his experience with the mercenaries financed by the Reagan administration.

[Begin recording] [Carrillo] The experience was difficult. For 3 days we traveled on the river. We were kidnapped by a group of armed people who first said they were members of the Democratic Revolutionary Alliance [ARDE]. Later, they denied any ties to this groups and said that they were a group of anticommunist fighters. I suppose they did not want ARDE to be held responsible for the action.

We were taken to Costa Rican territory where we were held hostage for several hours. At first, they were going to turn us over to the Costa Rican Government, but yesterday they released us. My impression of this group of individuals is that they did not know that the group of Christians and reporters were making the journey. I do not believe they were informed of this. I do not know what else I can add to this statement.

[Question] How did they behave toward you?

[Carrillo] They were not rough with us, but at times they threatened us. Generally speaking, they treated us well. However, sometimes they shouted at us and forced us to do things like walk in the jungle for 2 hours because we were lost. We were at a ranch in Costa Rican territory. The situation was very complicated because among the Christians were elderly individuals, individuals who could not do a great deal of walking. Nevertheless, they forced all of us to walk for long periods. We were lost -- I do not know if this was on purpose -- and then they ordered us to return to the boat to kidnap us. [sentence as heard]

Meanwhile, the attitude of the Costa Rican police was to pressure the group when we voluntarily stopped at Las Tiricias and Boca de San Carlos. Later, it was very difficult for us due to threats. Yesterday, we were held for 1 hour by the Costa Rican police. We were told that the U.S. consul in Costa Rica was coming to speak to the group, and then they allowed us to continue our trip. We were 1 hour late; we wanted to continue, to reach El Castillo. They told us we were being detained, but we all pressured them, and they were intimidated by the presence of a Sandinist helicopter circulating above at the time. Then they released us. It was a little risky because it was very late, 1630, and to travel on the river at that hour was complicated. There were a total of 52 of us including reports, the Christian group, and the ship's crew. [end recording]

MINISTRY REPORTS ON KIDNAPPER OF PEACE GROUP

PA112208 Managua Radio Sandino in Spanish 1300 GMT 11 Aug 85

[Text] The leader of an anticommunist group that allegedly had no links with ARDE and that kidnapped the Permanent Christian Action for Peace group a few days ago is none other than (Noel Boliche Quintanilla), a well-known delinquent and smuggler and currently one of traitor Pastora's leaders. The Nicaraguan Interior Ministry Foreign Relations Directorate gave the following report on the activities of this antisocial person who is currently an ARDE counterrevolutionary leader:

Prior to the triumph of the revolution, this man stole valuable archeological pieces from Solentiname Island, took them to Costa Rica, and sold them for large sums of money. Between 1980 and 1982 he was a member of a network of smugglers who operated between San Carlos, Nicaragua, and Los Chiles, Costa Rica. This group illegally traded in previous metals, foreign currency, and other items.

In March 1983 he crossed the southern border into Costa Rica, thus violating the border. He did this after stealing 120,000 cordobas from the Solentiname Development Association, where he worked as an accountant. In April 1983 he joined ARDE with the rank of leader of a group because he is the brother of (Abel Boliche Cantillano), alias El Gordo. In 1983 he led the attack on the boat donated by Germany in which 10 Sandinist youths and reservists of Battalion 30-62 were traveling. It was (Boliche Quintanilla) who fired an RPG-7 grenade launcher at the boat. In July 1984 he was one of the 500 counterrevolutionaries who entered Nicaragua from Costa Rica through the area of Machuca. They were dislodged from this area by the Sandinist People's Army [EPS] and forced to return to their sanctuary in our neighboring country to the south.

In 1985 he was identified as a leader of the San Pancho Regional Command, a group that operated between Las Mercedes, Costa Rica, and San Pancho, Nicaragua, along both banks of the San Juan River. Another EPS operation forced them to flee into Costa Rica.

In June 1985 he was again seen at Pantera camp in Aguas Frescas, from where he was once again forced to flee south. His continuous visits to the Costa Rican Rural Guard posts have been recorded throughout 1985, and in July he was again forced south of the border after being caught in the area of San Rafael. In July, he was one of the ARDE leaders who apologized to the Costa Rican authorities for the deaths of two Costa Rican civil guardsmen who died in the area under his control. As everyone will remember, those deaths were blamed on the EPS. On 29 July he led a ferocious attack against EPS posts in the area of El Machado. The attack laster 45 minutes and the attackers used rifle fire, heavy machineguns, and RPG-7's. On 7 August 1985 he was the leader of the ARDE group that kidnapped the Christian Permanent Action for Peace group in the area of Cano las Cruces and taken to Costa Rican territory.

BELGIAN SOCIALIST LEADER VISITS ORTEGA

PA112305 Managua Domestic Service in Spanish 1200 GMT 10 Aug 85

[Communique issued by the Presidency Press and Information Directorate; issued on 10 August in Managua]

[Text] Nicaraguan President Commander of the Revolution Daniel Ortega Saavedra met last night with Jozef Sleeckx, deputy for the Socialist Party of Belgium. Sleeckx arrived in Nicaragua recently to expand his knowledge of the Nicaraguan situation and proclaim sister city relations between Mol and Santo Tomas Chontales.

During the meeting President Ortega explained the current situation of the country at length and described Nicaragua's participation in the search for peace in the Central American region through the peacemaking efforts of the Contadora Group. Following his meeting with President Ortega, Mr Sleeckx said that when he returns to Belgium he will hole a press conference to explain the situation experienced by Nicaragua because of the U.S. Government aggression. He also explained that the sister city relations between Mol and Santo Tomas Chontales is mainly aimed at creating a sensitivity among the residents of Mol toward the Nicaraguan situation.

During his meeting with the Nicaraguan president, the Belgian deputy expressed his total support for the struggle waged by the people and Government of Nicaragua in the search for peace. He also presented President Ortega with a message of solidarity from Karel van Miert, president of the Socialist Party of Belgium.

Companera Nora Astorga, deputy foreign minister of Nicaragua, was present at the meeting.

[Signed] Presidency Press and Information Directorate

GDR SUPPLIES WORTH $5 MILLION ARRIVE IN CORINTO

PA111305 Managua International Service in Spanish 1830 GMT 10 Aug 85

[Text] It has been reported that the 10,000 tons of clothes, notebooks, shoes, blankets, and other articles for the country's various hospitals worth $5 million were unloaded in Corinto today. This important donation was delivered by Heinrich Maerz, GDR ambassador to Nicaragua, who said that this donation was neither the first nor the last for Nicaragua. Nicaraguan Vice President Sergio Ramirez thanked him for this donation on behalf of the Nicaraguan people and government. Here is what Ramirez said:

[Begin recording] Companeros, fellow Nicaraguans: We have received this donation, officially delivered by the GDR ambassador, on behalf of the Nicaraguan revolutionary government and the FSLN.

As he stated, this is not the first time that the German people have shown willingness to support the Nicaraguan people in this arduous, difficult struggle against the foreign intervention that has created so many problems for the long-suffering Nicaraguan people.

Indeed, when President Daniel Ortega visited the GDR, Erich Honecker, chairman of the Council of Ministers, assured him that our needs will be filled as best as possible by the GDR people and ruling party. The GDR people have shown a great political willingness to close ranks with the Nicaraguan people in this struggle. We have received proof of this support through economic and material assistance, but particularly through political and moral solidarity in this hour of trial for our people and revolution. [end recording]

L.A. DELEGATION VIEWS INTER-AMERICAN SYSTEM

PA101525 Managua Radio Sandino in Spanish 1930 GMT 9 Aug 85

[Text] Representatives from the Movement of Democratic Militarymen of Latin America and the Caribbean who are visiting our country said today that the purpose of their trip was chiefly to convey their solidarity with the Nicaraguan people and Government for the heroic struggle they are waging against U.S. imperialism. Speaking on behalf of the delegation, Bolivian General Humberto Cayoja Riart said he was convinced that Nicaragua's struggle is the struggle of the entire Latin American people and added: For that reason we are aware that Nicaragua's success is also Latin America's. Gen Cayoja also said that they wanted to especially salute the great protagonists of this struggle: the Nicaraguan people, the people in arms, for the heroism and spirit of sacrifice with which they are leading the revolution onward.

[Begin recording] Since the OAS and some international legal instruments such as the Inter-American Reciprocal Assistance Treaty [TIAR] have turned into an alliance between the oppressor with the oppressed, into a false alliance, from the exploiter country to the underdeveloped countries, we have signed agreements that have proven its total ineffectiveness after the Malvinas Islands war.

All the international organizations that bind us to the United States are no longer valid. Our peoples must review them. After the Malvinas Islands war, many Latin American officers, who study and analyze the continent's geopolitics, have come to realize that these legal instruments no longer work. The United States (?established) the TIAR, and they broke it. The TIAR is of no moral value to those officers who think about the future of our continent.

Therefore, our task is to create an awareness, to make an analysis within the active ranks of the active service, so they realize that the entire inter-American system is obsolete and has been superseded by events. For example, when Nicaragua and Cuba sought their liberation to upgrade their people's living standards and welfare, the United States used the TIAR, used OAS pressure. Now I ask: Why don't we use the TIAR to defend Nicaragua? Why doesn't the OAS take effective action, since it was determined that there is U.S. aggression against Nicaragua? The United States has turned Honduras into a military base at its service. It is pressuring and militarizing Costa Rica against Nicaragua. What good is the OAS, or the TIAR, if these are international boomerangs that will turn against our own peoples?

Therefore, our task is to draw attention, to write, to hold conferences, and to create the awareness within our Armed Forces that the inter-American system, the much talked about pan-Americanism must be reviewed. [end recording]

DELEGATION TO ATTEND BURNHAM'S FUNERAL CEREMONY

PA112207 Managua Domestic Service in Spanish 1200 GMT 10 Aug 85

[Text] Commander of the Revolution Carlos Nunez Tellez, president of Nicaraguan National Assembly, heads the delegation that will represent the people and Government of Nicaragua at the funeral of Guyanese executive President Linden Forbes Burnham. The other members of the delegation are: Guerrilla Commander Lumberto Campbel; Luis Enrique Figueroa, Nicaraguan ambassador to Cuba; and Ramon Leets, Nicaraguan ambassador to the Contadora Group.

TRADE MINISTER SPEAKS TO U.S. COMMERCE GROUP

PA101644 Managua EL NUEVO DIARIO in Spanish 8 Aug 85 p 8

[Text] The effects of the Reagan administration's economic blockade on Nicaragua and the market alternatives were broadly discussed by Foreign Trade Minister Alejandro Martinez Cuenca before representatives of the American Chamber of Commerce in Nicaragua and of the Nicaraguan private sector. Martinez analyzed Nicaraguan imports and exports from 1979 to 1984, including the economic blockade.

Martinez noted that in 1980, 17 percent of Nicaragua's trade was with West European countries, 30 percent with the United States, and 1 percent with socialist countries, along with other countries with whom Nicaragua maintains trade relations. Martinez added that because of the economic blockade, Nicaragua has had to seek other market alternatives, and as a result its trade relations with socialist countries have increased by up to 20 percent. Martinez stressed that Nicaragua wants to have trade relations with the United States within the framework of respect and dignified cordiality, but that the United States has closed the doors to this possibility. Martinez said the economic blockade has had negative and positive effects for Nicaragua. Among the positive effects, he mentioned market diversification. Now our country sells its products to various continents in the world. This has given Nicaragua the opportunity of selling nontraditional export products, such as avocado, pineapple, and mango, which are in demand in these new markets, he noted.

In contrast, the economic blockade has resulted in legal, political, economic, and moral losses for the United States, which is being isolated from the rest of the world, because all countries reject that economic blockade, he added. Martinez described the structure linking his office with trade offices in various parts of the world to facilitate transactions with all productive sectors in the country. He made it clear that the Nicaraguan Government is not considering the alternative of conducting trade relations with the United States through a third party. Martinez replied to each question made by those present at the meeting, on the subjects of trade and the foreign investments law, among others.

MOISES HASSAN APPOINTED MAYOR OF MANAGUA

PA100344 Managua Radio Sandino in Spanish 0000 GMT 10 Aug 85

[Text] The Presidency of the Republic issued Decree 113 appointing Commander Moises Hassan Morales as the new major of Managua. He replaces Companero Samuel Santos. The decree also states that Captain Pedro Ortiz Tejeira will remain deputy major. The decree does not provide information on Samuel Santos' new assignment.

INTERIOR MINISTRY PRESS CONFERENCE ON CONTRA PLOT

PA092348 Managua Radio Sandino in Spanish 1930 GMT 9 Aug 85

[Text] A Nicaragua Democratic Force [FDN] counterrevolutionary chief has sent a letter to Enrique Bolanos Geyer, also known as Churrucu Bolanos, asking him to finance the contras' expenses to conduct a murderous plot in Nicaragua. The announcement was made this morning at a press conference at the Interior Ministry where several counterrevolutionaries, who were to execute a plot called "Operation Flame" on 6 July, and others were presented. Domingo Gamales Salazar, chief of a counterrevolutionary cell, stated that on 3 August he personally delivered to Patrick Bolanos the letter from former Somozist guardsman Enrique Bermudez addressed to Enrique Bolanos. Counterrevolutionary Gamales Salazar added that the letter asked Enrique Bolanos to provide the funds needed for the FDN members in Nicaragua.

Moreover, counterrevolutionary Alfonso Barahona added that three U.S. citizens gave the contras a course on explosives at the El Strategico Base, headed by Somozist Colonel Enrique Bermudez, in Honduras. He also said that the contras' plans included blowing up three high tension towers in San Miguelito, the electricity substation in Tipitapa, La Flor Bridge, warehouses, and fuel trucks. In addition, he said that each contra within the cell received 30,000 cordobas, and that Domingo Gamales Salazar received 150,000 cordobas to purchase or repair a car.

Commenting on the letter sent to Bolanos, Captain [Oscar] Loza of the Interior Ministry said that he has only talked to Patrick, Enrique Bolanos' nephew, but that a meeting with Enrique Bolanos was not ruled out. Here is an excerpt from the press conference.

[Begin recording] [Salazar] My name is Domingo Gamales Salazar (?Borno), I live in Tipitapa, Managua Department. I was born in Tipitapa on 3 August 1954. On 22 -- or maybe 20 -- March, I left for Honduras with some companeros. With me were the (?Arrizabala) brothers, Domingo [names indistinct] Manual Vallejo, Alfonso Barahona, a man called the engineer, another called Isabel, and other individuals whose names I do not remember now.

We arrived in Honduras and were transferred to a base called Capiro. There we met a (?guide), three U.S. citizens, and an interpreter called Paco Bill. The interpreter, Paco Bill, told the U.S. citizens that we were going to create a cell, and to train us in explosives. The three U.S. citizens taught us for 1 week -- 5 or 6 days maybe -- and for 4 to 3 hours daily through Paco Bill, the interpreter. They taught us about [words indistinct] explosives, TNT, C-4 [words indistinct]; and to assemble and disassemble a [word indistinct] pistol and AK rifles.

The operation was called "Operation Flame" and was set for 6 July. At that time, he [not further identified] asked me if I knew Enrique Bolanos, and I said I did. Then he asked me if I could send him, rather deliver a letter to him. I said I would. He then wrote to Enrique Bolanos Geyer, and I took the letter with me. We returned to Nicaragua on 30 May. Since we had been walking for 15 days, our feet were in bad shape, and we were ill. I did not deliver the letter to Enrique Bolanos because at that time there was a big commotion over the expropriation of lands after 15 days [words indistinct]; his lands were expropriated. Therefore, I was never able to meet Bolanos. On 3 August, I delivered the letter to Enrique Bolanso through his nephew Patrick Bolanos at Enrique Bolanos' front door.

Afterwards, the Interior Ministry arrested me at approximately 0900 rather 2100 on 5 August. The letter stated that I had brought the letter because I belonged to the FDN and that he [Enrique Bolanos] was going to provide the funds needed, that he would give us the money we needed in Nicaragua.

[Reporter] Capt Loza, although I may be going over the same information, you have talked to Patrick Bolanos since he theoretically received the letter. However, you say that you have not talked to Enrique Bolanos to whom the letter was addressed. That sounds a bit odd. Why not talk to Enrique Bolanos when, theoretically, you have the same reasons for talking with him as with Patrick Bolanos?

[Loza] First, we decided to talk to Patrick Bolanos because he was the person who received the letter. This does not rule out the fact that the Interior Ministry may decide to talk to Enrique Bolanos later, perhaps today. That decision will be made during the investigation if there is reason for it. [end recording]

Thus far, five counterrevolutionary plans have been thwarted, said Capt Loza of the General Directorate of State Security this morning. The plans included an attack against guerrilla Commander Lumberto Campbell; "Operation (?Bula)," which aimed at destroying Corinto port and the warehouses; "Operation White," aimed at blowing up the main offices of the Nicaraguan Institute of Energy; "Operation Knot," which sought to destroy the Augusto Cesar Sandino International Airport, and "Operation Flame," led by mass killer Enrique Bermudez, aimed at blowing up three high tension towers in San Miguelito in order to damage gas stations and (?warehouses).

BORGE ON 'CLANDESTINE RESISTANCE' TO FACE U.S.

PA091914 Managua Radio Sandino in Spanish 1200 GMT 9 Aug 85

[Text] Commander of the Revolution Tomas Borge Martinez, interior minister, said last night that all Nicaraguans are preparing the conditions for facing and resisting a direct invasion of the Yankee Marines. He announced that a clandestine resistance is being organized in neighborhoods and work centers, so if the enemy manages to take over some areas, the people will already be infiltrated in the ranks and they [Marines] will not know who are their friends and who are their enemies. We Nicaraguans must defend Nicaragua, and we will do it with honor for life and a contempt for death, the Sandinist leader pointed out.

[Begin recording] We Nicaraguans must defend Nicaragua, and we will do it with honor for life and a contempt for death. All peoples of the world are the owners of the heart of Nicaragua, which will continue beating for victory, love, struggle, work, heroism, the necessary peace, and the just war.

Nicaraguan brothers, brothers of all latitudes: We will win today against the military, political and ideological aggression; against the bandits and assassins armed by U.S. cynicism and immorality. Just like tomorrow when we will have wiped out our enemies from the face of the world, we will win in the war against backwardness and against poverty.

Nicaragua has been made for victory. Nicaragua has been made for dignity. Nicaragua has been made for audacity, valor, and heroism. Nicaragua has been made for shouting the truth with the rifle in hand, for shouting to all peoples of the world that we are willing to live and to die for the land where we were born. We will be faithful to the life and death of our war cry: Free fatherland! [crowd shouts: "or death!"] [end recording]

BORGE CALLS CONTRA ACTION IN NORTH 'PROPAGANDA'

PA091958 Managua Radio Sandino in Spanish 1200 GMT 9 Aug 85

[Text] Commander of the Revolution Tomas Borge Martinez, Interior Minister, said last night that recent counterrevolutionary actions in La Trinidad, Cuapa, and Esteli were seeking mainly political propaganda and not military achievements. He said that these mercenary actions were very costly for the enemy with over 200 casualties accounted for so far.

Borge insisted that part of the counterrevolutionaries who attacked Trinidad were youths who have evaded the Patriotic Military Service [SMP], which he described as sad, because if it is painful to die for the fatherland, it is even more painful to die struggling against the fatherland. Many of these youths have been sent by their parents to Honduras and Costa Rica, where the counterrevolutionaries take them into their forces and send them ahead, so they will be the first to die. He pointed out that the number of youths joining the SMP is higher than the evaders, and therefore we have managed to reduce the number of casualties among our forces and increase those of the enemy. Commander Borge emphasized that the counterrevolution has not managed to organize anything inside the country and therefore its internal front is nothing but a project, thanks to the revolutionary surveillance of the Nicaraguan people.

COMMANDER TORRES SAYS 2,500 CONTRAS KILLED IN 1985

PA081742 Managua Radio Sandino in Spanish 1240 GMT 8 Aug 85

[Text] Guerrilla and Brigade Commander Hugo Torres has charged that the Reagan administration is going to use the Las Crucitas border incident as the spark to generate a larger-scale warlike situation and to justify a direct aggression against Nicaragua. Commander Torres said these plans have been drawn up because the mercenary forces alone are not enough of a factor to bring about a U.S. intervention. Stressing the reason why the Reagan administration has chosen Nicaragua's southern border as the site of those plans, the revolutionary leader said that any incident between Costa Rica and Nicaragua can be exploited by imperialism abroad. All of these plans seek to make Nicaragua appear as a hostile nation in Central America, so they can assume the right to attack us, Commander Torres said.

Guerrilla and Brigade Commander Hugo Torres, chief of the political commission of the Sandinist People's Army [EPS], said the EPS will intensify its military actions against the mercenary groups in the next few months until the counterrevolutionaries have been reduced to a minimum. He added that in the first step of the U.S. aggression, the counterrevolutionaries have been defeated in view of the combativeness of the people organized in the nation's military defense. Referring to the latest actions by the CIA mercenaries in the north, Commander Hugo Torres said:

[Begin recording] I must stress that so far this year, these forces have seen the achievement of their plans seriously limited and they have suffered the loss of more than 2,500 men, who have been annihilated by our forces. This is clearly evident in the results of the latest actions in the northern and central areas of the country, specifically in Esteli Department and part of Matagalpa Department. We taught a harsh lesson to the counterrevolutionary forces that dared to enter areas of Esteli, La Trinidad, and San Isidro in a desperate effort to present themselves as a valid option. They tried to give themselves an image of active belligerency in areas that have important roads and where they had not previously acted. It was an attempt to give the Reagan administration justification for greater economic and military aid to these forces.

It was an attempt to revitalize those forces as a political and military option and as the most important expression of the U.S. policy against our country.

The presence of the counterrevolutionaries in the town of Cuapa in Region 5 also had the same objective. Those forces are also being pursued and hit by our units.

We have taught them a severe lesson. As a result of the latest combing actions, we have inflicted more than 150 dead on them. We have captured in a few days numbers never seen before in this mercenary war. More than 40 have been captured. This shows the hard blows they have received. These forces had not expected such a fast and forceful reply from us.

The White House and the CIA once again made a mistake in estimating what would be the reaction of the Nicaraguans who live in the areas where these forces acted. They thought that the people of Esteli and La Trinidad would rise up against Sandinism. They again underestimated our people's level of awareness, and as a result, they suffered an overwhelming defeat. We had to teach them a lesson so they will think twice next time. [end recording]

COMMANDER TORRES ON DISMANTLING CONTRA BASES

PA081844 Managua Radio Sandino in Spanish 1618 GMT 8 Aug 85

[Excerpts] Guerrilla and Brigade Commander Hugo Torres Jimenez, chief of the political commission of the EPS, yesterday said that the EPS will increase its military actions against the mercenary groups in the next few months until it reduces them to a minimum.

Torres said the same thing that happened to the counterrevolutionaries in La Trinidad and Cuapa will happen to the counterrevolutionaries who operate from Costa Rican territory and who have installed some bases in Nicaraguan territory. He said those bases were dismantled by EPS units during "Operation Sovereignty." Let us listen to Commander Torres:

[Begin recording] With the blows dealt at La Penca and Sarapiqui we are achieving total control of the river. This means that we are considerably limiting the counterrevolutionary ARDE forces' possibility of receiving orders and supplies. It will make easier the blows that we will deal in the next few days and weeks against the forces that are in the jungle areas of Rio San Juan and Chontales Departments. This is a demoralizing blow to these forces. Therefore, we think that the plan we proposed to carry out in 1985 on both the northern and southern borders continues to be fulfilled in the best way for our forces and revolution.

We have to increase these blows. We have to reduce the counterrevolutionary forces to a minimum in the next few months and years so they will really disappear as a military and political option in the overall framework of the U.S. policy against our country. when its first and most important option disappears, the United States will be forced to seek political and negotiated paths to resolve the disagreements with out government and people. We think they will continue to use the border incidents as the spark that will cause a larger-scale warlike situation since they have been unable to achieve this wth the mercenary forces. This is one of the possible variants that we mentioned earlier to increase the aggression against our country. The worse one, which is the direct U.S. aggression, is just waiting for the best political conditions to be launched. As we have said, the military conditions have already been created. [end recording]

TORRES ANALYZES STRATEGY OF CONTRA ACTIONS

PA100127 Managua Radio Sandino in Spanish 0000 GMT 8 Aug 85

[Text] Guerrilla Commander Hugo Torres, chief of the Political Section of the EPS, said that the strategy of counterrevolutionary actions is now one of defeat, which the EPS will increase in the coming months. Torres spoke at the inauguration of a seminar on public defense and legal support for combatants promoted by the National Committee of Support for Combatants.

The Sandinist leader said that the Reagan administration is militarily prepared to launch a direct intervention against our country, but thus far it has been unable to do so because the Nicaraguan people are determined to defeat the aggression and because of other factors prevailing in Latin America and the United States.

[Begin recording] In the past few years, Latin America has been characterized by a series of elements of great interest that should be analyzed and followed. They make us think that the Bolivarian and Latin American feeling of identification among all our peoples is being revived as a result of dozens of years of indiscriminate exploitation and thousands of instances of pressure, blackmail, and frightful imposition by U.S. imperialism, and as a result of significant political events that have taken place on the continent. The most relevant of these have been our revolution, the Malvinas war, the slap in the face to the Latin American people which was the U.S. decision to side with the United Kingdom in that conflict, and the onerous and cruel foreign debt that is being debated and discussed at this time and that sentences our people to remain in darkness and underdevelopment.

The emergence of democracies in the southern cone: in Argentina, Brazil, Uruguay, and Peru; the continental support from Latin America for the Contadora Group effort; the awareness of what a direct Yankee intervention in Central America or a worsening of the Central American situation would mean for Latin American interests; and the confidence in the Nicaraguan revolution as a political plan that reflects and synthesized the desires of all Latin American peoples have been dissuasive fators -- to a great extent -- together with the main and most important element: our people's readiness to face the aggressor, to make him pay dearly for his adventure, and to expel him from our country. That is why the Reagan administration has been unable to launch its troops against our country. [end recording]

Commander Hugo Torres also said that the latest counterrevolutionary actions for propaganda purposes have been defeated and that the EPS has the fighting spirit to further intensify its actions against the counterrevolution.

PLI LEADER CRITICIZES GOVERNMENT, URGES UNITY

PA101611 Managua LA PRENSA in Spanish 7 Aug 85 pp 1, 12

[Text] After stating that "to talk about peace with the Sandinist government is like showing the devil the cross," Virgilio Godoy, president of the Independent Liberal Party (PLI), said peace and not war is the solution for Nicaragua. The opposition leader made this statement during a meeting of his party in San Lorenzo, Boaco Department. His speech dealt mainly with the difficult moments faced by our people. Nonetheless, Virgilio Godoy was optimistic when he said that "sooner or later, things will change in this country," adding that for this to happen, our people must maintain their hope and faith.

He reminded the people of San Lorenzo of the considerations and well-being to which they and all Nicaraguan people have a right. He also criticized the "voluntary" demonstrations staged by the Sandinist regime in Managua, filling the plazas with "hog-tied volunteers," manipulating the poor people in this country. Godoy reminded the Boaco residents that the current regime has given nothing to our people during its 6 years in power, "because this kind of government is only interested in the people to turn them into demonstrators."

Regarding the almost generalized fear among all Nicaraguans, Godoy asked them not to be overcome by fear, "because in the long run, anyone who is overwhelmed by fear is the next victim of death. Fear kills." The PLI leader urged Nicaraguans to face the challenges and difficulties in order to overcome the fear for death, unemployment, hunger, and insecurity.

In conclusion, Godoy issued a call for the unity of all Nicaraguans, in order not to step back from the demands for peace, "because otherwise the war will continue spreading throughout the country, and because, in the long run, those killed each day in great numbers are Nicaraguans, and the properties destroyed each day belong to Nicaraguans."

REPORTAGE ON ALLEGED AIRSPACE VIOLATION BY U.S.

Foreign Ministry Protests

FL100148 Havana Television Service in Spanish 0000 GMT 10 Aug 85

[Text] The following is information for the public: This past 8 August, a SR-71 Blackbird spy plane of the U.S. Air Force, which originated and returned to that country's mainland, violated our air space flying the entire length of our country from west to east and then from east to west. The SR-71 entered our air space at 0952 at a point located 20 km south of Cabo Corrientes, Pinar del Rio, flying at 3,000 km per hour at an altitude of 18 km. At the eastern part of the country, it flew over the cities of Pinar del Rio, Colon, Santa Clara, Moron, Nuevitas, Tunas, and Bayamo, and close to the cities of Matanzas, Camaguey, Santiago de Cuba, and Guantanamo. As it turned over the eastern part of its path, the spy plane left our national territory at 1012 at 65 km south-east of Guantanamo flying at 3,100 km per hour and at an altitude of 23 km heading Haiti and Dominican Republic and flew over our national territory again at 1025 over a point located 27 km northwest of Moa flying at 3,100 km per hour at an altitude of 23 km.

In its east-west route, it flew over the cities of Ciego de Avila, Sancti Spiritus, Cienfuegos, and Havana, and close to the cities of Holguin, Tunas, Camaguey, and Matanzas, leaving our airspace at 1040 over a point located 30 km northwest of Havana at 3,100 km per hour and at an altitude of 22 km.

During the violation, the SR-71 maintained speeds of 2,500 to 3,100 km per hour and altitudes of 18 to 23 km. Its speed caused the constant explosions typical of supersonic flights.

Because of this serious violation, the Cuban Government sent the U.S. Interests Section in Havana the following message:

Last 8 August, a Blackbird SR-71 spy aircraft of the U.S. Air Force violated our country's airspace flying the entire length of the national territory from west to east and then from east to west and returned to the U.S. mainland. During its flight over the country's main cities, it produced explosions typical of supersonic flights causing annoyance and indignation of the people. Since 1983, when the national airspace was violated for the first time by the current U.S. Administration, this latest incident is the fifth time that such an act of arrogance takes place with the peculiar purpose of fightening our people and humiliating its leaders.

The Cuban Government does not entertain any illusions regarding the attention U.S. authorities will give this note, considering their behavior in similar circumstances, particularily when crooked actions of this type can only be carried out with the expressed authorization of the highest U.S. Government leader.

The Cuban Government also understands the U.S. Government's uneasiness due to the growing and strong awareness in Latin America and the Caribbean of the urgency to put an end to an unjust, and irrational international economic order and the concrete evidence that the U.S. destructive hegemony, the greatest usurer in the history, is neither fatal nor eternal. The sick minds who presently determine U.S. policies, discouraged and deprived of ideas, resort to braggings of bullies with a certain hysteria.

Besides being ridiculous and sterile, the U.S. Government is mistaken when it seems to think these repeated violations of Cuba's national sovereignty can continue to go on unpunished.

Foreign Relations Ministry of the Republic of Cuba Havana, 9 August 1985.

Guantanamo Residents Demonstrate

FL101219 Havana Television Service in Spanish 1100 GMT 10 Aug 85

[Text] Thousands of members of the Committees for the Defense of the Revolution of the heroic municipality Caimanera, located at the foot of the illegal Yankee navy base, congregated last night at the port to condemn the violation of Cuban airspace by a U.S. spy plane. Carrying signs and posters and with shouts of: "Yankees get out of our country," "Down with aggressions against Cuba," and " will not be intimidated," the residents of Caimanera expressed their repudiation at the rude imperialistic action and supported the note of the revolutionary government.

REAGAN SAID TO THREATEN CREDIT TO L.A. NATIONS

FL091828 Havana Domestic Service in Spanish 1429 GMT 9 Aug 85

[Text] The Reagan administration has threatened to cut off future credit to those Latin American countries that handle their foreign debt outside the channels established by the IMF or the World Bank. Elliot Abrams, assistant secretary of state for Latin American affairs, calls the action an error and a bad idea. He also said those who believe breaking the current financial system is the answer to economic problems are foolish. The U.S. official said that there can be no political response to economic problems, and if the foreign debt is cancelled or there is a moratorium on the payment, the United States will never again give credit.

That has been one of the rudest responses from the Reagan administration up to the present time against the new strategies of Latin American countries for the purpose of confronting their enormous foreign debt, calculated at more than $360 billion dollars.

RAMON CASTRO TO MEET WITH DPRK OFFICIALS

FL092230 Havana Domestic Service in Spanish 1600 GMT 9 Aug 85

[Text] Pyongyang -- Ramon Castro Ruz, Cuban work hero and vice president of the Cuban-DPRK Friendship Association arrived today to Pyongyang for an official 10-day visit at the invitation of the government. Chong Chun-ki, candidate member of the Korean Workers Party and vice premier, headed the delegation that met Castro at the airport. During his stay in Korea, Castro, director of the Valles de Picadura Livestock Breeding Farm, will exchange criteria with government officials on the increase of bilateral economic cooperation and will visit production centers and places of general interest.

GOVERNMENT EXPRESSES REGRETS AT DEATH OF BURNHAM

FL092114 Havana Domestic Service in Spanish 2032 GMT 9 Aug 85

[Text] Our Commander in Chief, Fidel Castro, has just signed the book of condolences at the Cooperative Republic of Guyana's Embassy in Cuba on the death of that country's president, Forbes Burnham. Upon signing the book, Castro expressed his sincere and profound grief at the loss of the Guyanese leader.

Almeida Heads Funeral Delegation

FL101452 Havana Domestic Service in Spanish 1402 GMT 10 Aug 85

[Text] Commander of the Revolution Juan Almeida Bosque, Politburo member and vice president of the Council of State, heads the delegation that left this morning for Guyana to attend the funeral of Guyanese President Forbes Burnham. Along with the Cuban delegation is the Nicaraguan delegation headed by Commander of the Revolution Carlos Nunez Tellez, member of the national direction of the Sandinist National Liberation Front.

Today, Saturday, the book of condolences will remain open at the Embassy of the Cooperative Republic of Guyana, which can be signed from 1000-1300. Numerous ambassadors, diplomatic personalities from more than 35 countries, vice ministers, state officials, members of the Central Committee of the Communist Party of Cuba, and people in general, have signed the book which expresses the grief at the death of the Guyanese president.

DELEGATION MEETS NEW BOLIVIAN PRESIDENT

PA101614 Havana International Service in Spanish 1600 GMT 8 Aug 85

[Text] The Cuban delegation that attended the Bolivian presidential inauguration delivered greetings from Cuban President Fidel Castro to new Bolivian President Victor Paz Estenssoro. Paz Estenssoro, who received the Cuban mission in a protocol meeting, expressed thanks for the message and sent cordial greetings to the Cuban president. In his talks with Vice Foreign Minister Jorge Bolanos and the other members of the Cuban delegation, the Bolivian president stressed the great importance of the recent Havana meeting on the Latin American and Caribbean foreign debt. During the meeting, Paz Estenssoro called for future strengthening of the existing multifaceted links between Cuba and Bolivia.

On Wednesday, Paz Estenssoro, acting as field marshal of the Armed Forces, presided over a military parade in La Paz on the anniversary of the Bolivian military institutions. The president praised the constitutional conduct maintained by the Armed Forces in recent years and urged the military to struggle along with the people to eradicate hunger in Bolivia.

POLITBURO'S RISQUET MEETS ANGOLAN DELEGATION

FL100226 Havana Television Service in Spanish 0000 GMT 10 Aug 85

[Text] Politburo member Jorge Risquet Valdez this afternoon met with an Angolan delegation headed by Evaristo Domingo, Popular Liberation Movement of Angola [MPLA] Politburo member. The visitors are in our country following an invitation made by the Committee for the Defense of the Revolution national leadership.

The objective of this visit is to share experiences between the Cuban mass organization and the Angolan people's vigilance brigades. During their stay in our country, the delegation has met with CDR leadership and with Marianao and Santiago de Cuba CDR members. They also toured sites of historic and social interest.

DAM CONSTRUCTION COMPLETED IN SANTIAGO DE CUBA

FL100011 Havana Domestic Service in Spanish 1810 GMT 9 Aug 85

[Text] Santiago de Cuba's works and engineering construction enterprise number 21 has finished building a dam near the city's industrial zone. The project, which cost 9 million pesos and occupies a 4-square kilometer area, will have a capacity for 34 million cubic meters of water to supply the industrial area and the rest of the population. Among its features, the dam has an overflow channel, with the ability to release 500 cubic meters of water per second, a 2.8 kilometer long core wall, and a water tap which releases 1 cubic meter of water per second. With this dam, the water reservior volume increases by 592 million cubic meters of water in Santiago de Cuba.

RAUL CASTRO ATTENDS FAR MANEUVERS IN CAMAGUEY

FL091646 [Editorial Report] Havana Television Service in Spanish at 1100 GMT on 9 July carries recorded coverage of the Third Party Congress military maneuvers being held in Camaguey. As coverage begins, the announcer says that Raul Castro, second secretary of the PCC Central Committee and FAR minister, party and government leaders, and other high-ranking FAR officers attended the maneuvers.

Coverage begins with a medium shot of civilians running and a medium close-up of Raul Castro observing a simulated air attack from what the announcer calls a "defense zone in the city of Camaguey." The camera picks up a low-flying MIG aircraft as the announcer says the maneuvers began yesterday in the defense zone and on the FAR firing range Major General Ignacio Agramonte. The camera once again shows civilians running and a background of smoky fires.

The announcer says that when the air raid alarm sounded, the defense zone began to function according to the plans drawn up for air attacks. The camera shows civilians being issued arms and equipment. Raul Castro is shown encouraging armed women who are running past barbed wire and sandbags and along the city streets.

The announcer announces a simultaneous attack on Ignacio Agramonte International Airport, and the camera again picks up low-flying MIG aircraft, with Raul Castro observing them. The camera shows a tractor dragging an obstacle onto a runway and a truck unloading what appear to be bales of hay onto a runway. The camera shows parachute troops jumping from a large aircraft, and the announcer announces that parachute troops have landed on the landing strip are under intense fire from the defensive forces. Shots of troops running and firing are shown, including armed female troops. The announcer says the control tower is first occupied by the enemy, then retaken by FAR troops.

More shots of troops firing are shown, then of troops wearing gas masks. An air attack against a military unit is announced and tanks are shown. The announcer says the tanks are dispersed thanks to the rapid, coordinated action of its officers. Shots of aircraft and tanks are shown.

The announcer says that, at the end of the first day of the maneuvers, Raul Castro and the persons accompanying him met with the people who participated in the maneuvers, congratulating them on their success. The camera shows Castro applauding, then being applauded by the troops. Jose Ramon Balaguer, member of the Secretariat of the PCC Central Committee, spoke. He is shown ending his speech to prolonged applause. He speaks of the increased preparations of "a country that raises a powerful fist made up of men and women, children and the elderly, who will lead us to victory." He ends his speech with vivas for the homeland and Fidel. The camera pans the square where the troops stand in rows. Coverage ends at 1106 GMT and normal "Revista" programming is resumed.

BARBADOS

ST JOHN DISCUSSES TOUR, LONG-TERM LOAN

FL092330 Bridgetown CANA in English 2117 GMT 9 Aug 85

[By Reudon Eversley]

[Text] Bridgetown, Barbados, Aug 9, CANA -- Barbados, which last month signed a syndicated U.S. 25 million dollar loan agreement with a consortium of commercial banks in London, has been invited by that city to consider returning to the market for a long term sterling loan of 15 years and over, Prime Minister Bernard St John said today.

St John made the disclosure while briefing reporters on the outcome of a near three-week tour of the United Kingdom and Ireland, where he participated in efforts to promote Barbados as an investment and tourism haven, in addition to signing the loan agreement.

...If you know the market in the financial centres of the wrold, to be invited to consider coming for a loan in the market for as long a term as 15 years, you would know that is a very, very successful activity, because many countries in the world do not get sterling loans of that length of period of time, he said. The invitation was under consideration, St John said.

The U.S. 25 million dollar loan will be used to help support the government's current development programme and strengthen the island's foreign reserves position.

The UK/Irish tour was the first by St John since taking over as prime minister on the sudden death of his predecessor Tom Adams five months ago.

St John said the mission highlighted investment opportunities to a number of interested British and Irish companies, with some emphasis placed on the duty free access to the U.S. market for most locally-made goods under Washington's Caribbean Basin Initiative (CBI).

We have got a programme set up whereby the (state-run) Industrial Development Corporation's Brussels office, together with people in the London office will follow through these, he said, without giving any detail.

In addition to investment in the area of manufacturing, the mission also promoted Barbados as an offshore financial centre in an effort to boost the fledgling sector here.

In the area of tourism, St John said he met British tour operators who confirmed that the substantial fall-off in British tourists stemmed mainly from the early 1985 poor showing of the pound sterling against the U.S. dollar, to which the Barbados' dollar is pegged.

He said that with the recent strengthening of sterling against the dollar, arrivals should improve for the forthcoming winter and the 1986 summer season.

In London, St John had an audience with the queen and met Prime Minister Margaret Thatcher.

JAMAICA

ROK MINISTER ARRIVES 8 AUGUST, TO MEET WITH SEAGA

FL091842 Bridgetown CANA in English 1811 GMT 9 Aug 85

[Text] Kingston, Jamaica, Aug 9, CANA -- South Korea's special presidential envoy and minister of government administration, Pak Se-chik, has arrived in Jamaica on a two-day official visit. Pak, after his arrival yesterday, paid a courtesy call on the Governor General Sir Florizel Glasspole and was scheduled to meet Prime Minister Edward Seaga and the Minister of National Security and Justice Winston Spaulding today.

The Korean official told an airport press briefing that he would use the opportunity of his visit to strengthen relations between the two allies. He will also deliver a letter to the Government of Jamaica from the president of Korea. Accompanying Pak were his wife, secretary, and a Foreign Ministry official.

AIRLINE INCREASES SECURITY TO STOP DRUG SHIPMENTS

FL091854 Bridgetown CANA in English 1824 GMT 9 Aug 85

[Text] Kingston, Jamaica, Aug 9, CANA -- State-owned Air Jamaica has beefed up its airport security systems in a move to stop the shipment of marijuana on its flights, a problem which has landed it in trouble with United States authorities at least twice this year. The airlines president Noel Hylton made the announcement to reporters following the seizure of an Air Jamaica airbus at New York's John F Kennedy International Airport on Wednesday. The airliner, on which 45 pounds of marijuana was found, was released after the payment of a U.S. 180,000 dollar fine. The airline has appealed against the penalty.

Hylton said that between January and May, 39 shipments of marijuana had been intercepted by Air Jamaica's security as well as by the security forces. We condemn the action of those persons involved with this activity as it is directly damaging the airline, its customers, tourism, and our country, he said. Hylton said as part of the effort to stamp out use of the airline in marijuana trafficking, Air Jamaica had also increased the use of tracker dogs as well as employed more security personnel. He said however, the airline could not reveal the total extent of its security moves, as this would only serve to negate the element of surprise, in the effort to apprehend offenders.

TRINIDAD AND TOBAGO

PRIME MINISTER, OFFICIALS ON 1-MONTH TOUR

FL091756 Bridgetown CANA in English 1725 GMT 9 Aug 85

[By Debra Ransome]

[Text] Port-of-Spain, Trinidad, Aug 9, CANA -- Trinidad and Tobago's Prime Minister George Chambers last night returned home from what he described as a very strenuous and very rigorous one-month European and Far Eastern tour. He told reporters that the trips could lead to more foreign investment in this oil-rich twin-island Republic, but did not go into details.

Chambers said that a comprehensive report on the outcome of the mission would be submitted to cabinet which he expected would make public certain aspects of the report as it saw fit.

He was accompanied by a high-level government delegation that included Foreign Minister Errol Mahabir and Industry and Commerce Minister Wendell Mottley. The tour covered the United Kingdom, Hong Kong, Japan, China, India and Austria. Chambers said that Indian Prime Minister Rajiv Gandhi would pay an official visit here, but the exact dates are to still to be worked out.

Industry and Commerce Minister Senator Mottley, in a CANA interview, said the Far Eastern leg of the tour was essentially aimed at laying the groundwork for bringing about a significant amount of new trade between Trinidad and Tobago and countries in that region. Since we in Trinidad and Tobago have embarked on this new thrust of becoming more outward-oriented in our trade relations and in our investment patterns, it was very opportune that we should meet with the economic leadership and political leadership in the Far East so that we get our foot in the door, he said. In the new thrust that we have envisioned for Trinidad and Tobago, deepening our trade relations with the Eastern countries is absolutely vital. It doesn't mean abandoning our existing long-standing trading partners but if we are to look for growth in trade -- new trade -- then we feel strongly that the East has a significant role to play, Mottley said.

External Affairs Minister Mahabir said two Far Eastern missions were due here later this year to assess the economic environment in the region and to have specific discussions with the Trinidad and Tobago Government. We embraced the opportunity to advance Trinidad and Tobago's case as a centre for foreign investment and to point out the facilities which we have here which make this a very good area in which to invest, especially in the context of the CBI [Caribbean Basin Initiative] and the EEC, he told CANA.

Under both the CBI, a U.S. Government incentive package to boost Caribbean exports, most regional products benefit from duty-free access to the U.S. market. A similar set-up exists with the European Community under the Lome III Trade and Aid Accord.

We were able to meet a wide cross-section of government officials and the business community and dealt, in great detail, with what happens here in Trinidad and Tobago at the present time, Mahabir said. He added: We emphasised the whole question of imbalance of trade between Trinidad and Tobago and countries like Japan, for example. We had a quite interesting meeting with the prime minister of Japan and two missions are to come to Trinidad and Tobago later this year: one a technical mission to have face-to-face discussions with us and another, a mission which will look at the economic environment. We pointed out the fact that not only do we have a very strategic location but we have highly-trained labour force. We have an excellent infrastructure so there are many factors which make Trinidad and Tobago a very good place in which to invest and we think, judging from the interest which the business members who accompanied the delegation were able to attract, we have done reasonably well.

PPP RECOMMENDS BECOMING COMMUNIST PARTY

FL101706 Bridgetown CANA in Engliah 1646 GMT 10 Aug 85

[Text] Georgetown, Guyana, Aug 10, CANA -- The main opposition People's Progressive Party (PPP) ended its triennial congress here this week with a call for the party to be transformed into a full-fledged communist organisation.

The call was made in one of several resolutions passed by delegates at the three-day meeting held in the largely Indian populated village of Anandale, 11 miles from here. The conference ended Monday, the day before the death of President Forbes Burnham.

Presenting the report of the central committee, PPP General Secretary Dr Cheddi Jagan remarked that the light of liberation has begun again in Guyana. But he noted that the country's economy was worsening and a solution was most urgent.

Apparently in reference to co-operation talks soon to take place between the PPP and the Ruling People's National Congress (PNC), Jagan said: All the signs of a political solution are maturing. Let us fan the flame that will devour poverty and injustice and light the way forward to peace, social progress, and national prosperity.

The PPP has persistently called for a national unity government to deal with the economic problems and renewed its call in a statement after Burnham's death.

The congress, which mapped out the PPP's programme until 1988, was attended by representatives of several overseas Marxist parties, including the Workers Party of Barbados, the Workers Revolutionary Movement of St Lucia, and the Communist Parties of the Soviet Union and Cuba.

A statement issued at the end of the meeting said the PPP-PNC dialogue can play a positive role in shaping the future of the country.

It also reaffirmed the party's willingness to pursue the establishment of and participate in a national unity government.

With regards to regional issues, the statement said congress noted the continuing militarisation of the eastern Caribbean by the U.S.A. and its decreased economic assistance to the area.

A special resolution passed at the meeting recommended that the PPP be transformed into a full Marxist-Leninist party.

The PPP said the system of free enterprise was not working in the Caribbean, pointing to what it said was the failure of the conservative Edward Seaga government to overcome the serious economic crisis facing Jamaica.

Seaga has blamed the present crisis on the policies of the predecessor socialist Manley government.

The PPP said the focus of its struggle was the creation of a people's revolutionary democracy in Guyana. It promised to take common actions with the PNC and others against imperialism -- the United States in leftist jargon -- and to work for deepening the content of anti-imperialism in Guyana.